

15-01-10

# INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

No. 30,817

PARIS, FRIDAY, MARCH 19, 1982

Established 1887

## Nicaragua Says Washington Must Promise Not to Attack

MANAGUA — The Nicaraguan government says it will not consider Secretary of State Alexander M. Haig Jr.'s terms for improving relations unless the United States promises not to attack Nicaragua.

"One cannot negotiate with a pistol on the chest," Interior Minister Tomás Martínez Borge said Wednesday. "One cannot negotiate when they are threatening us."

Mr. Borge was responding to the conflict Mr. Haig set on Monday

for restoring U.S. aid to the leftist regime and curbing anti-Sandinista exiles training in the United States. First, said Mr. Haig, the Nicaraguan government must "get out of El Salvador," not acquire heavy offensive weapons and limit foreign military advisers.

"To negotiate there must be a clear guarantee that the United States is not going to attack our country," said Mr. Borge, speaking at the departure of North Korean Premier Li Jong Ok for Cuba after a three-day visit.

Meanwhile, the Defense Ministry said Thursday that a Nicaraguan Army patrol clashed with anti-Sandinista rebels believed to have come from camps in Honduras in a battle that left 11 guerrillas and three soldiers dead.

**CIA Plot Alleged**

The clash occurred just before midnight Wednesday 210 miles (336 kilometers) northeast of Managua close to the Honduran border, the ministry said. Earlier, Nicaragua had accused a Salvadoran Coast Guard patrol of violating its territorial waters and firing on a government boat.

On Monday, the Nicaraguan government decreed a 30-day state of emergency, suspended civil rights and imposed strict censorship after it said saboteurs dynamited two bridges near the Honduran border. The Foreign Ministry said the attacks were "part of a CIA plan to destroy the popular Sandinista revolution."

The Reagan administration has accused the Sandinistas of supplying weapons and advisers to leftist insurgents in El Salvador. Washington has also contended that Nicaragua's military strength is growing beyond its defense needs.

The Sandinistas say they give only moral support to the Salvadoran rebels and are building up their own armed forces because the United States is planning to use the exiles for sabotage or an invasion of Nicaragua.

In Washington, Assistant Secretary of State Thomas O. Enders told a Senate panel Wednesday that the United States was willing "to enter into a nonaggression pact of sorts" with Nicaragua if Managua would stop "funding arms into El Salvador" and curb its military buildup.

**80-Man Force Reported**

The State Department said claims by U.S.-based Nicaraguan exiles that they blew up six bridges inside Nicaragua were under investigation. If the claims by the exiles, members of the National Liberation Army, are true, the action could violate the U.S. Neutrality Act.

The Nicaraguan Defense Ministry, in its report on Thursday's clash, said the anti-Sandinista force numbered 80 men and presumably infiltrated into the rugged, little-populated region from Honduras, where they reportedly have training camps.

The ministry also said there was an exchange of gunfire Wednesday between a Nicaraguan fishing boat and a Salvadoran gunboat in the Gulf of Fonseca, where a Nicaraguan vessel reportedly attacked a Honduran coast guard vessel two days earlier.

The ministry, which said the two vessels exchanged fire for one hour, accused El Salvador of "a flagrant violation of our sovereignty... to provoke a premeditated increase in the tension" between the two nations.

It was the first fighting between Nicaragua and El Salvador, but the second naval clash in three days in the 15-mile-wide Pacific inlet. Honduras Monday seized a Nicaraguan fishing boat and detained two crew members. Honduras said the boat entered its waters and fired on a Honduran vessel. Nicaragua denied the charges.

At the United Nations on Wednesday, Nicaraguan Ambassador Javier Chamorro Mora said in a note to Secretary-General Javier Pérez de Cuellar that the United States had violated Nicaragua's airspace, reflecting an "aggressive attitude set forth in order to destabilize" the Sandinista government.



**DOZIER TESTIFIES** — Policemen with submachine guns escorted U.S. Brig. Gen. James L. Dozier in Verona, Italy, after he testified Thursday in the trial of his kidnappers. Page 2.

## Israel Dissolves City Government In Major Arab City on West Bank

By William Claiborne  
Washington Post Service

**AL-BIREH**, Israeli-occupied West Bank — Israel dissolved the municipal council of a major Arab city on the West Bank Thursday and replaced it with a military authority.

It was the first such action in Israel's 14-year occupation of the territory.

About 100 Israeli troops raided the municipal offices of Al-Bireh, the West Bank's fourth-largest city, and evicted its mayor and city council, replacing it with a three-man military committee.

The takeover was ordered by Menachem Milson, head of the occupation government's civil administration, after Al-Bireh's mayor, Ibrahim Tawil, and his council refused to meet with Mr. Milson in the military government headquarters for a "working" discussion.

**Mayors Call Strikes**

"As the mayors of the West Bank's two largest cities, Nablus and Ramallah, declared protest strikes, a senior official in the Israeli Army command in Tel Aviv said that similar boycotts of the occupation government by other Arab municipal councils could also result in dissolution of local governments."

"I hope they will come to the conclusion and not also boycott the civil administration," the senior army official said.

In his order, Mr. Milson said the dissolution of the Al-Bireh government was "necessary for the maintenance of public order and the rule of law."

Army command officials said the Al-Bireh government had been taken over by Lt. Col. Morris Barkan and two other officers.

Mr. Tawil, the ousted mayor, said in a telephone interview that Mr. Milson's order was a "revenge action against the council because it refused to meet him on principle." Mr. Tawil said he believed the occupation government had invited the council to the meeting to set a trap and create a pretext for dissolving all West Bank governments headed by supporters of the Palestine Liberation Organization.

Almost all mayors on the West Bank have refused to discuss official municipal business with Mr. Milson, who replaced the West Bank-Gaza Strip military commander last year. But Al-Bireh was

the first municipal council to formally vote on a boycott of the civil administrator. Other mayors have confined their meetings with Mr. Milson to ceremony or pleasanties.

Mr. Milson has sought to dilute the influence of militantly nationalist Palestinian mayors by creating "village leagues" headed by rural leaders considered by the Israeli government to be moderate. Jordan warned last week that membership in the leagues would be considered treason, a crime punishable by death, and some members have since resigned. Although Jordan has no authority on the West Bank, it could arrest people who return from there.

**Fijians Join Peace Force**

**TEL AVIV** (Reuters) — About 470 Fijian infantrymen arrived Thursday to join the peacekeeping force being sent to the Sinai.

The 2,600-man force is designed to ensure that Israel and Egypt observe the terms of the treaty under which Israel is to hand back the last of the desert peninsula next month.



An armed Israeli soldier stood guard at the door of the Al-Bireh municipal council after it was dissolved by Israeli authorities.

## OPEC Ministers Are Grim on Eve Of Critical Talks

By Steven Rattner  
New York Times Service

**VIENNA** — Oil ministers from the Organization of Petroleum Exporting Countries gathered here Thursday for a meeting that many considered the most critical in the cartel's history.

On Friday, the representatives of the 13 member countries begin a last-ditch effort to find a way of preventing the worldwide oil glut from forcing the group to accept a general price reduction.

"OPEC has never witnessed such a crisis since it was created over 20 years ago," said Mana Said al-Oteiba, the oil minister of the United Arab Emirates and president of OPEC. "This is the real test really for OPEC and the challenge for OPEC to prove its solidarity and to prove to everyone in the outside world that OPEC is a useful organization."

That concern and the obvious lack of a strategy was reflected in the grim faces of arriving ministers and in the reclusiveness of several who have often been among the most talkative. Few expressed much optimism that the group would be able to reach a strong enough agreement on production cuts to support prices.

"I can't believe we can make a formal decision about production levels," said Humberto Calderón Berti, the Venezuelan minister of energy. Earlier this week, Sheikh Ahmed Zaki Yamani, the Saudi Arabian petroleum minister, said: "This will be the most difficult meeting I've attended."

One subject that did not appear to be on the agenda was the general level of OPEC prices, which are now clustered around the \$34 a barrel for Saudi light, the OPEC "marker" crude. The OPEC delegates appear determined to refrain from concerted price reductions for as long as possible.

"We have to stick to it at present," said Mr. Oteiba, referring to the \$34 benchmark price. "I don't think this is the ideal way to solve the market problem at present," he said of the possibility of a price cut.

Although the gathering was marked by unusual uncertainty even by OPEC standards, the most likely outcome appeared to be a restatement of the commitment to holding production by the 13 countries to 18.5 million barrels a day, as agreed upon by key members in Doha, Qatar, earlier this month.

Jan Seymour, editor of the Middle Eastern Economic Survey, circulated an estimate that OPEC production in March has fallen to 18.2 million barrels a day. That compares with production of 32 million barrels a day as recently as 1979.

OPEC members appear to believe, or at least hope, that production of 18.5 million barrels a day would prove sufficiently low. That belief is conditioned largely on a view by some analysts that Western oil companies' inventories are shrinking and that an economic recovery will increase demand.

Other experts believe any current inventory reduction is so small and any impending economic recovery so modest that OPEC would have to cut production substantially more to balance the market. Confusion over the numbers was evident among the ministers:

Mr. Calderón Berti argued that 18.5 million barrels would be enough, while Mr. Oteiba said further cuts would be necessary.

As usual, the key will almost certainly be Saudi Arabia, whose production has fallen from 8.5 million barrels a day to an estimated 7.5 million barrels in recent weeks. Other members, particularly those already running balance-of-payments deficits, are sure to call on the Saudi Arabians to make further cuts.

Another key country here is Nigeria. Should the meeting end without firm agreement, Nigeria, whose production of 1.2 million barrels a day is about half of the country's capacity, is considered almost certain to reduce its price of \$36.50 for its high-quality crude to a level closer to the \$31 price of comparable North Sea oil.

## Iraq Admits Oil-Industry War Damage

By Edward Cody  
Washington Post Service

**BAGHDAD** — Iraqi oil installations have suffered "a lot of damage" from Iranian artillery and air strikes and it will take at least five years to restore the petroleum industry to prewar efficiency, according to Deputy Oil Minister Abdul Monem Samourai.

The assessment marked a rare official glimpse at the extent of destruction to Iraqi installations since the war started in September, 1980, and the scope of repairs needed once the conflict ends.

"There has been a lot of damage, but we are in control," Mr. Samourai said in an interview. "Some of the damage we cannot even estimate, such as the [offshore] terminals. They are way out in the Gulf, which is a war zone. It would take a long time to estimate the damage."

Until recently, Iraqi officials had been playing down the seriousness of the damage and avoiding appraisals of its effect. Some Western diplomats speculated that the new [Iraqi] demands for reparations as part of any peace settlement, in effect laying groundwork for equivalent Iraqi demands.

Despite the availability of new terminals on the Western market, Mr. Samourai estimated that Iraq would require from five to seven years to bring its industry back to a prewar level. Much would depend on the extent of damage to offshore facilities near Faw on the west bank of the disputed Shatt-al-Arab waterway as it flows into the northern end of the Gulf, he said.

Since bombings in the early days of the war, the offshore facilities have been unused and Iraq's oil exports through the Gulf have halted.

Mr. Samourai said Iraq is exporting about 900,000 barrels of crude oil a day through three pipelines that cross Turkey and Syria to the Mediterranean, far below the 3.4 million barrels a day it exported before the conflict closed off the Gulf.

He declined to say how much more Iraq could pump through the westward pipelines if the world market were able to absorb it, indicating only that it would be "a little more." Other sources said the pipelines' limit stands at about 1.4 million barrels a day.

At current pumping rates and prevailing prices, Iraq's exports are expected to bring in more than \$10 billion this year. But with an estimated \$24 billion already borrowed from other Gulf Arabs, and with a costly war proceeding alongside a giant development campaign, President Saddam Hussein's government is particularly upset at the threat of declining world oil prices.

Iraq strenuously pushed for the special meeting of the Organization of Petroleum Exporting Countries scheduled Friday in Vienna, seeking an OPEC-wide accord to halt price cutting or discounts skirting OPEC's benchmark price of \$34 a barrel.

In reviewing war damage, Mr. Samourai indicated that Iraqi oil refineries, pumping stations and loading terminals were inadequately protected at the outbreak of the war because the government did not expect them to become targets.

He said Iraqi officials were surprised by the first Iranian attack on the facilities, at a petrochemical plant near the southern city of Basra in the opening days of the conflict.

In addition to the Basra facilities and offshore installations in the Gulf, he said Iranian air attacks had caused serious damage to the Kirkuk complex of storage facilities and pumping stations in northern Iraq. But since the early stages of the war, Iraqi defenses have improved, he added.

## 4 Dutch Newsmen Die In Salvadoran Fighting

United Press International

**SAN SALVADOR** — Four Dutch journalists, one recently questioned by police on his ties to the guerrillas, were killed Thursday during a clash between soldiers and rebels, the Dutch consul said.

The four journalists were members of a television crew working for Dutch radio and TV news who went to northern Chalatenango province early in the day.

They were reported killed near the town of El Paraíso, 36 miles north of San Salvador. There were no other details about how they died.

The slayings followed the delivery of death threats Wednesday to local journalists by the Anti-Communist Alliance of El Salvador, which listed 35 foreign and Salvadoran journalists marked for death. The four Dutch journalists were not on the list.

"This is the first group of pseudo-journalists in the service of international subversion who have been condemned to death by patriots of our organization," the previously unknown rightist group said.

Five other journalists have been killed covering El Salvador's civil war in the past two years, two others are missing and presumed dead and about 12 have been wounded.

The four Dutchmen were identified as Johannes Andriessen, a producer; Hans Lodewijk Ter Laag, a soundman; Jan Cornelis

Ghuysper, a director, and Johannes Willemssen, a cameraman.

"The foreign minister gave me the information" about their deaths, said Koen Stencijff, a businessman who is the Netherlands' honorary consul in San Salvador. "The reports are unfortunately 99.9 percent confirmed."

Army sources in El Paraíso said the corpses of the four journalists were taken to the town's hospital.

Mr. Koster was called to Treasury Police headquarters last Thursday because his name and hotel room number had been found on a slip of paper on a guerrilla killed in a firefight a few days before in the southern city of Usulután.

He told police he had no idea how his name reached the guerrilla and asked whether the police action would hinder his future coverage of El Salvador.

"He was answered, emphatically, that the armed forces in no way interfere with the work of foreign journalists in El Salvador," a Defense Ministry spokesman said.

**Senator Cites Secret Data**

**WASHINGTON** (Reuters) — The chairman of the Senate Appropriations subcommittee on foreign operations, Sen. Robert W. Kasten Jr., has urged President Reagan to reveal secret intelligence he says provides proof of Cuban and Nicaraguan aid to the guerrillas in El Salvador.

## Polish Group Accused Of Armed Resistance

By Brian Mooney  
Reuters

**WARSAW** — Poland's military rulers accused opponents Thursday of organizing an armed resistance movement that they said was involved in killing a policeman, assaulting soldiers and stealing arms.

The charges by the military prosecutor's office, published in the army newspaper Zolnierz Wolności, were the most explicit reference to armed opposition since the military takeover three months ago.

The office said that some of the nine persons being investigated in connection with the shooting death last month of police Sgt. Zdzisław Karos were suspected of belonging to what it described as a criminal armed organization called "the armed forces of underground Poland."

"They are also suspected of two assaults on soldiers and of stealing guns, as well as killing the policeman," the military prosecutor's statement said.

The military authorities have re-

ferred before to an upsurge in terrorism but not to any specific group.

The suspended Solidarity union has repeatedly urged Poles against violent resistance, which Communists hard-liners could exploit to justify martial law.

The statement indicated no letup in the crackdown under which more than 400 persons have been imprisoned for union and opposition activity and 4,000 others are interned without trial.

The office said that in the last week, military prosecutors launched summary investigation proceedings against 100 persons and that 100 others were indicted by military courts. Forty-three were sentenced, it said.

The military launched a new broadside against the West in Zolnierz Wolności. The paper said that Communism and capitalism were engaged in "total ideological confrontation" since the time of the Cold War, the daily said in reference to the outcry in the West and sanctions against the Soviet bloc because of martial law in Poland.

Referring to current Soviet, East German and Polish military exercises in northern Poland, the paper said the Warsaw Pact states were constantly strengthening their protective shield.

There were still doubts, meanwhile, about whether the detained Solidarity leader, Lech Wałęsa, will be allowed home for the Christmas Sunday of his daughter in Gdansk.

"They have neither refused nor approved my request," his wife, Danuta Wałęsa, said.

"I am still waiting for a reply. But I am rather pessimistic," she said in reference to her personal appeal to the martial law leader, Gen. Wojciech Jaruzelski, for her husband's temporary release.

**Soviet System Is Urged**

**MOSCOW** (Reuters) — A leading member of Poland's pro-Communist trade unions said Thursday his country needed a return to the Soviet system of a monolithic union movement.

Eugeniusz Melnicki, chairman of a commission linking the branch unions, said the unity of the Soviet movement should be a matter of pride to its members.

"We realize even more keenly what a sorry fact is the lack of such unity in the Polish trade union movement today," he told a Kremlin conference, according to Tass.

## Pershing-2 Missile Encounters Delays Despite Production Problems, U.S. Still Aims at '83 Deployment in Europe

By Walter Pincus  
Washington Post Service

**WASHINGTON** — The Army has run into unexpected difficulties in developing the Pershing-2 missile, the heart of NATO's nuclear modernization program and a subject of the current weapons debate between the United States and the Soviet Union.

As originally conceived, transforming the present Pershing-1, with its 400-mile (640-kilometer) range, into the Pershing-2, with a 1,000-mile range, was going to be a relatively simple and inexpensive job.

Thus, when NATO members decided in December, 1979, to approve stationing of the Pershing-2 in Europe, the United States said it would be able to make the initial deployments in December, 1983.

However, in a letter to Congress last week, John O. Marsh Jr., the secretary of the Army, wrote that "the government and the contractor were overly optimistic that the extended range system would be a fairly simple Pershing variant. As the design of the system has matured, the manufacturing process has become more complex."

Because of political and diplomatic problems that could arise from any delay in the Pershing-2, the Army is pushing ahead despite the technical difficulties. In public statements, Pentagon officials told

NATO allies as recently as this week that the program is on schedule, according to a diplomatic source in Washington.

One illustration of the Pershing-2 problem was Mr. Marsh's statement that in the past year, the contractor, Martin Marietta, has had to increase the number of parts in the new missile by almost 15 percent.

Another was the Army's decision to delay from April to June the first testing of the Pershing-2 at its full range of 1,000 miles. The result was to cut development and operation tests from 28 to 18.

Mr. Marsh also reported that the 108 missiles and their spares would cost \$1.8 billion, \$600 million more than estimated in March, 1981.

**Unique Political Status**

The missile does, however, have unique political status, as the centerpiece of the NATO modernization program. Because it would be able to strike targets in the Soviet Union within eight minutes from planned bases in West Germany, it is also the weapon most observers believe drove the Russians to the bargaining table at Geneva.

To delay it, sources said Wednesday, would damage NATO and might make Moscow less forthcoming in the Geneva negotiations, which concern possible mutual reductions in intermediate-range missiles.

Deployment of the first 39 missiles in West Germany by late 1983 or early 1984 would require that a production decision be made in late June, 1983. Since the first two tests of the Pershing over its own, extended range will not take place until earlier that month, the production decision will have to be made with a minimum of detailed information.

**Military Buildup Called 'Minimal'**

**WASHINGTON** (WP) — A conservative committee that once counted President Reagan among its members has said the so-called "window of vulnerability" to Soviet missile attack that Mr. Reagan pledged to close actually "will open wider" over the next five years.

The assessment appeared in a report issued Wednesday by the Committee on the Present Danger. The study claimed that the president's \$1.6-trillion, five-year defense plan is still \$100 billion too low and "will not halt the unfavorable trends in the U.S.-Soviet military balance, let alone reverse them."

While refraining from criticizing the president directly, the report

called Mr. Reagan's defense program "minimal."

The report compared the administration defense program with recommendations the committee made in 1980, and found the official levels of financing "clearly inadequate." It called for Mr. Reagan to move more rapidly toward the goal of spending 7 percent of the U.S. gross national product on defense.

**Faced Growing Threat**

The committee, a bipartisan private organization of 200 conservative specialists in foreign and defense policy, was formed in 1976 because its members were concerned that the United States faced a growing threat from Soviet military power. Almost 40 of its members have been named to positions in the Reagan administration, some at high levels. Mr. Reagan was a member until 1979, when, according to committee rules, he had to give up his membership upon announcing his candidacy for president.

The study was presented at a news conference by Charles E. Walker and Herbert Stein, two economists who served in the Nixon administration, and William R. Van Cleave, a California professor and defense specialist. Mr. Walker and Mr. Stein are now members of Reagan's economic policy advisory board.



The Pershing-2

### INSIDE

#### Tax Cheats

The General Accounting Office says that Americans, incensed by higher taxes, are cheating more on their income tax returns. Page 3.

#### Interest Rates

West Germany, Switzerland and the Netherlands jointly cut interest rates, but dealers say the action did not have an impact on exchange markets. Page 7.

#### Aiding Steel

The EEC Commission has approved a \$470-million aid package for Belgian steel giant Cockerill-Sambre, but rejected the company's modernization plan. Page 7.

### TOMORROW

#### Mixed Bag

The spectacles of the Calix Hook Dance Theater — fusions of dance, mime, theater, music and language — leave viewers groping for words like surreal, ritual, dreamlike, tension, or trying to nail down comparisons with Fellini and Buñuel. An article about the Paris-based troupe will appear in Weekend.



## With Business Support Dropping, Reagan Scolds His Budget Critics

WASHINGTON — President Reagan appealed Thursday to businessmen to support his economic program and said this is not the time for "last-minute haggling or displays of blatant self-interest."

With the administration openly acknowledging a drop in business support for his program, Mr. Reagan scolded critics who are calling for higher taxes and other revisions in the administration's budget plans.

"Let me be honest with you, however, and tell you I've been a little disappointed lately with some in the business community who have forgotten that feeding more dollars to government is like feeding a stray pup," Mr. Reagan told members of the National Association of Manufacturers. "It just follows you home and sits on your doorstep, asking for more."

He said the country needs busi-

### Murdoch Names Long To News International

LONDON — Gerald Long, managing director of Times Newspapers, was appointed Thursday to be deputy chairman of Australian publisher Rupert Murdoch's main British company, News International, the company announced.

His job at the Times went to his deputy, Bill Gillespie.

nessmen "to get on with the business of economic recovery, to look for imaginative ways to invest and grow and to provide jobs for the unemployed."

On Tuesday, the president of the American Stock Exchange, Arthur Levitt Jr., released a survey of brokers and others in the investment community showing that only 41 percent now "strongly approve" of Mr. Reagan's program, down from 67 percent a year ago.

In his speech, Mr. Reagan said the recession was "the legacy of years of misguided policy."

Without specifically fixing blame for economic problems, Mr. Reagan suggested that the same forces responsible for "the economic mess" now are urging the government "once again to make government bigger by increasing its revenue. There were suggestions that we rescind individual tax cuts or eliminate truly historic reform of tax indexing," a measure designed to prevent inflation from pushing people into higher income-tax categories.

In an appearance before the same group, the Federal Reserve Board chairman, Paul Volcker, said that prompt resolution of the budget debate in Congress was crucial to restoring confidence in financial markets. "Nothing is more urgent in the coming weeks than the resolution of this budgetary problem," he said.

In Congress, there were few signs of movement toward solving the budget dispute. The chairman

of the Joint Economic Committee urged the House Budget Committee to send President Reagan's budget to the House floor, where he said it would be "voted down."

"We can no longer afford the luxury of endless compromise chats with those who do not wish to compromise," said the chairman, Rep. Henry S. Reuss, a Wisconsin Democrat.

Rep. Reuss urged the committee to send the president's budget proposal to the floor with a recommendation of disapproval.

The Budget Committee's chairman, James R. Jones, an Oklahoma Democrat, said Wednesday that he was considering such an option. But House Speaker Thomas P. O'Neill Jr., Democrat of Massachusetts, and the Democratic floor leader, James C. Wright Jr. of Texas, said they did not see any reason to try to embarrass the president.

Meanwhile, John G. Tower, a Texas Republican and chairman of the Senate Armed Services Committee, took his first step away from President Reagan's military-budget proposal Thursday by saying it could safely be cut by \$2 billion.

Sen. Tower declined to specify what he would delete from the budget proposal and emphasized that this was his personal conclusion, not a committee position. However, his statement indicated that even Mr. Reagan's staunchest allies on military spending feel they must compromise.



President Reagan introduced his nominees for membership on the Joint Chiefs of Staff Thursday. From left are Secretary of Defense Caspar W. Weinberger; Army Gen. John W. Vessey Jr., chosen to be chairman; Adm. James D. Watkins, selected to be the chief of naval operations; and Air Force Gen. Charles A. Gabriel, who will become the Air Force chief of staff.

### Reagan Nominates Admiral and General to Joint Chiefs

WASHINGTON — President Reagan Thursday introduced his choices for two posts on the Joint Chiefs of Staff, saying he will nominate Adm. James D. Watkins to be chief of naval operations and Gen. Charles A. Gabriel to be Air Force chief of staff.

"These men have great records in service to their country," Mr. Reagan said during an Oval Office meeting with the two and with Gen. John W. Vessey Jr., the president's previously announced choice to be chairman of the joint chiefs.

Adm. Watkins is now commander of the U.S. Navy's Pacific Fleet. He was previously vice chief of naval operations. Gen. Gabriel, commander of the U.S. Air Force in Europe, is a former deputy chief of staff for operations, plans and readiness. Adm. Watkins would replace Adm. Thomas B. Hayward. Gen. Gabriel would replace Gen. Lew Allen Jr.

## Dozier Says Ordeal Impaired His Hearing

VERONA, Italy — U.S. Brig. Gen. James L. Dozier, confronting his kidnappers for the first time since his release Jan. 28, said Thursday his hearing is permanently impaired because he was struck on the ear when abducted and then forced to listen to loud rock music during his six-week captivity.

Gen. Dozier, 50, testifying in the trial of men and women of the Red Brigades accused of kidnapping him, said: "The physical examinations I have had since my release have confirmed that the music played for that period of time has permanently damaged my hearing."

He testified, "First I asked that the type of music be changed, which was done. Then I asked that the volume of the music be turned down and this was never satisfactorily done."

Gen. Dozier was asked if the Red Brigades had ever threatened to kill him.

"Not specifically," the general replied. "However, on numerous occasions when I was removing the earphones to try to get some relief from the music they would tell me that if I wanted to return home I should leave the earphones and they said this was for my protection."

Gen. Dozier also said he briefly thought the police squad that rescued him was another terrorist group.

"They said, 'we are police,' but I was not sure because their faces were also covered," he said at the trial of nine of his kidnappers. Eight others still at large are being tried in absentia.

"The first one who suggested my portion of the trial I tried to push away. When I felt his protective vest I was reasonably sure he was a policeman," he said.

Gen. Dozier, in uniform, walked into the courtroom and took the witness stand, sitting at the back of the defendants. The 50 minutes of testimony in English was translated into Italian by an interpreter.

Also testifying was Gen. Dozier's wife, Judith, 47, who confirmed earlier statements made in investigations about the night of the kidnapping. She said she saw Gen. Dozier at NATO's Southern Europe command in Verona, where Gen. Dozier is chief of logistics and administration, said she was still under stress.

### Danes Destroy Sick Cattle

COPENHAGEN — Veterinarians on the Danish island of Funen destroyed a herd of 66 cattle Thursday after diagnosing an outbreak of foot-and-mouth disease, the Ministry of Agriculture announced. It is the first outbreak of the highly infectious sickness in Denmark since 1970, the ministry said.

## U.S. to Detail Charges Of Toxic War Deaths

By Bernard Gwertzman

New York Times Service

WASHINGTON — The Reagan administration will make public on Monday an intelligence report that will allege Soviet involvement in the deaths of more than 6,000 Laotians, 1,000 Cambodians and 3,000 Afghans through the use of chemical weapons, administration officials have said.

The administration has already accused the Russians of using lethal chemical agents in Afghanistan and of having supplied agents for use in Laos and in Cambodia. But a group of United Nations experts said last fall that it could neither verify nor refute the charges. Congressmen have pressed the administration to make more of its findings public.

To bolster the administration's case, officials said Wednesday, a committee involving the Central Intelligence Agency and the State and Defense departments has declassified much of the material that has accumulated in Washington since 1975 and written a report of more than 100 pages.

"We are as specific and complete as we can be," one participant in the drafting said. "I don't think anything will shut the doubts completely, but it will go a long way to answering a lot of questions."

"I was a doubter myself when we started, but I'm persuaded," he said of the use of the chemical agents and of the Soviet role.

In testimony on Afghanistan be-

fore the Senate Foreign Relations Committee last week, Deputy Secretary of State Walter J. Stoessel Jr. said, "As a result of chemical attacks, 3,042 deaths attributed to 47 separate incidents between the summer of 1979 and the summer of 1981 have been reported."

The report will list in tabular form all 47 incidents, an official said. One Soviet attack accounted for about 2,000 of the deaths, he said.

The report also will list the incidents that the United States believes resulted in the Laotian and Cambodian deaths, the official said.

He said that the intelligence community had tried to be as careful as possible in assessing the thousands of individual reports and that much of the material was "dubious" because it was questionable. The number of deaths listed, he said, is "probably lower than the real number and has an artificial precision."

Moscow has denied U.S. charges that the Soviet Union has violated the 1925 Geneva protocol by using chemical weapons.

No Physical Evidence

The U.S. report is said to lack physical evidence of chemical agents in Afghanistan, officials said. But they said the information was evaluated by examining the reports of Afghan military defectors, some of whom were involved in chemical warfare, alongside the claims of Afghan refugees in Pakistan who said they witnessed Soviet attacks.

By using this information and that gained from the monitoring of Soviet military activity by U.S. intelligence agents, the administration believes it can fairly authoritatively confirm some accounts of the use of chemical agents, the officials said.

For instance, "If refugees claim that they were attacked on a certain day in village X by aircraft and helicopters and they give eyewitness accounts of how people died and what the toxins looked like, we check our records as to what the Soviet military was up to on that day, and if it checks out, we include it in the report," one official said.

President Reagan recently announced that the United States would resume production of chemical weapons in response to the allegations.

## Kaunda Says He Is Willing To See Botha

By Edward Cody

Washington Post Service

BAGHDAD — After 18 months of guns and butter, Iraq has decided to moderate the breakneck pace of its economic development effort and concentrate financial and human resources on the staggering price of its war with Iran.

The Ba'athist government's reluctant moves to brake civilian spending mark a natural pause at the end of furious building in the last several years that has fueled inflation and turned this city into a giant construction site, government officials say.

But, according to foreign diplomats here, the measures also grow out of a painful reassessment of Iraq's ability to finance a war estimated to cost a billion dollars a month with no end in sight and an effort to involve civilians more closely in the conflict.

"We probably reached a point late last year when the spending line and the revenue line crossed," a Western economic specialist said. "It's not that development is going to stop, but there is a reappraisal. Letters of award are not being written into contracts. Contracts are being honored, but time of execution is being rolled back and a lot of contractors are waiting for instructions from their clients. Things have been frozen for the last two months."

The curbs coincide with a

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

## Iraq Trims Development Sails to Speed Up Ship of War

By Edward Cody

Washington Post Service

BAGHDAD — After 18 months of guns and butter, Iraq has decided to moderate the breakneck pace of its economic development effort and concentrate financial and human resources on the staggering price of its war with Iran.

The Ba'athist government's reluctant moves to brake civilian spending mark a natural pause at the end of furious building in the last several years that has fueled inflation and turned this city into a giant construction site, government officials say.

But, according to foreign diplomats here, the measures also grow out of a painful reassessment of Iraq's ability to finance a war estimated to cost a billion dollars a month with no end in sight and an effort to involve civilians more closely in the conflict.

"We probably reached a point late last year when the spending line and the revenue line crossed," a Western economic specialist said. "It's not that development is going to stop, but there is a reappraisal. Letters of award are not being written into contracts. Contracts are being honored, but time of execution is being rolled back and a lot of contractors are waiting for instructions from their clients. Things have been frozen for the last two months."

The curbs coincide with a

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.

The Popular Army has been part of the Iraqi military establishment for years, with men called in for periodic training as reserves. But the number of those obliged to report for duty has increased sharply in recent months and, Iraqi military officers report, they are being sent to the front after swift updates in military training.

Taha Yassin Ramadan, the Popular Army commander and Revolutionary Command Council member, said his forces number about 400,000 and will grow to half a million by the end of the year. He said 70,000 fought alongside troops from the 300,000-man regular armed forces during last month's Iraqi counteroffensive near Basra, their first large-scale participation in actual combat.

The mobilization has seriously dented a high-priority program to make sure the 3.5 million Iraqis in the active labor force keep pace with the nation's economic development, an effort to avoid long-term dependence on foreign experts and non-Iraqi labor.

strengthened military mobilization announced by President Saddam Hussein in January after the Iraqi Army suffered a serious setback. To dramatize the effort, government officials wear military uniforms in their offices and Mr. Hussein is seen regularly on state television visiting training camps for Popular Army conscripts, a pistol on his hip.



## U.S. Panel Says FAA Mismanaged Air Controllers, Offers Remedies

By Richard Witkin  
New York Times Service

WASHINGTON — An administration-created team of management experts has issued a severe indictment of the Federal Aviation Administration's handling of employee relationships.

The report, issued Wednesday, said the mismanagement existed both before and after the start of the walkout of air traffic controllers last August. It warned that the morale problems of the past were re-emerging themselves.

In a 150-page report, the group said that, as the growth of air traffic increased the pressures on controllers and their union became aggressive, the FAA had developed "a rigid and insensitive system of people management."

Style Cited  
It expressed concern that the spirit of cooperation that emerged when the strike began was giving way to fatigue and to "heavy-handed supervision."

"A less directive, bureaucratic organizational style would have buffered the problem," the panel said. "A participative or collaborative style would have solved it."

The report warned the aviation agency that, "unless it wants a repetition of the events of 1981, it will have to drastically change its management style."

The panel also submitted an ambitious list of recommendations, including a program for better matching of people and control jobs, as well as smoothing work loads, lessening salary inequities and finding and training people with management talent.

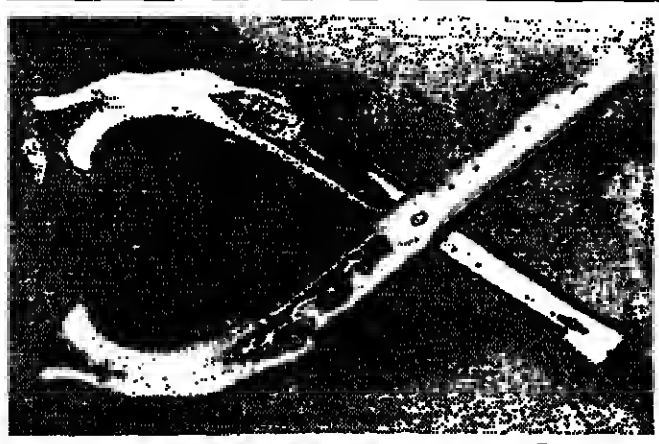
The period after Aug. 3, 1981, the experts said, referring to the date the strike began, "was marked by a renewed spirit of dedication, hard work, cooperation, care and courtesy within and between employees at all levels in the FAA."

"This asset is more powerful than any set of electronic gear. It is worth preserving, worth caring for, worth enriching in every possible way. This asset appears to be slipping away from the FAA. To retain and enhance this renewed teamwork, an immediate and energetic effort is needed."

J. Lynn Helms, the head of the agency, welcomed the report, saying, "There is much to be done and we must get on with it."

It was Mr. Helms who, with Transportation Secretary Drew Lewis, took the initiative to asking a three-man team of experts to study the factors that had created employee problems in the FAA and to recommend remedies.

The group's chairman was Lawrence M. Jones, president of the Coleman Co., a Wichita, Kan., manufacturer of submersible pumps and air conditioning equipment and the Coleman lantern. Serving with him were Stephen H. Fuller, General Motors vice president for personnel administration and development, and David G. Bowers, research scientist at the University of Michigan Institute for Social Research.



The two pistols, overlaid with ivory, are valued at \$200,000.

## 2 of Catherine the Great's Pistols Found in N.Y. Police Warehouse

New York Times Service

NEW YORK — For years, the two ornate flintlock pistols were stored in the New York City police property warehouse, resting among the cheap handguns and other illegal firearms.

The weapons, overlaid with ivory and intricate gold floral patterns, were seized in a drug raid in the South Bronx almost 10 years ago. They were stored in the warehouse until recently, when they were marked for destruction along with hundreds of other handguns.

But police decided the lovely old pistols might be something special and had them inspected by experts from the Metropolitan Museum of Art. Their assessment: The matching weapons were prized hunting pistols of Catherine the Great, the empress of Russia from 1762 to 1796. And now they are expected to be loaned to the museum.

After identifying the pistols — which arms experts have valued at \$200,000 — police set out last fall to find the owner, and for four months they followed a twisting trail. But the trail led nowhere and in the end they were left with the pistols and a theory.

"We think one of the owners sold them off and the new owner was burglarized, and then the guns kind of knocked around the streets," a police official said.

The pistols were made and signed by Johann Adolph Grocke, the imperial gunmaker to the empress, Leonid Tarassuk, a research associate at the Metropolitan Museum, said. "Their quality is so very high, I am almost certain they could have been used by the empress herself."

"They are true works of art," Mr. Tarassuk said, "and there is no doubt as to their authenticity. The museum is going to get a very, very important acquisition."

## Alternative Is Offered To Reagan Alien Plan

New York Times Service

WASHINGTON — In a bipartisan initiative, two members of Congress have offered a long-awaited, comprehensive proposal to restructure the nation's immigration law.

The bill differs from several important respects from President Reagan's proposals. It offers more generous terms for legalizing the status of illegal aliens, and contains stricter requirements for all job applicants, including citizens, to show valid identification.

The bill was introduced Wednesday, in the Senate by Sen. Alan K. Simpson, Republican of Wyoming, and in the House by Rep. Romano L. Mazzoli, Democrat of Kentucky, the chairman of the immigration subcommittee of the Senate and House Judiciary committees.

The bill contains no guest-worker program such as that proposed by Mr. Reagan. But it would streamline the existing program for the admission of laborers from Mexico, Jamaica and other countries, permitting a future expansion of the program.

Sentences Prescribed  
Under the bill, employers hiring illegal aliens would be subject to a \$1,000 fine and six months imprisonment for conviction of any offense after the first two. These penalties would apply to all employers, even those with just one employee. Mr. Reagan's proposal would apply only to employers with four or more employees.

The bill would also provide for 70 administrative law judges to hear the backlog of asylum claims and deportation cases, and would forbid judicial review of claims denied. However, an alien held in a detention camp could still challenge his detention on constitutional grounds by seeking a writ of habeas corpus. That type of legal petition, used to seek the immediate release of a detainee, challenges authorities to justify his detention.

The Reagan administration termed the proposal a constructive effort, and William French Smith, the attorney general, emphasized the administration's commitment to a comprehensive revision of the immigration laws.

The bill contains no provision to regularize the status of illegal aliens who arrived in the United States after Jan. 1, 1980. But aliens who arrived before Jan. 1, 1978, could become permanent residents. Five years after becoming

## U.S. Reports Rise in Tax Cheating, Predicts \$80-Billion Revenue Loss

By Robert L. Jackson  
Los Angeles Times Service

WASHINGTON — Incensed over high taxes, Americans are cheating more on their income tax returns, costing the government \$80 billion annually in lost revenue, the General Accounting Office says.

Citing a decline in voluntary compliance with the tax law, the office's auditing arm of Congress said Wednesday that a dangerous trend has developed "toward contempt and abuse of the [tax] system."

In a report to a House Government Operations subcommittee, the office said the Internal Revenue Service needs more investigators to find fraudulent returns. It blamed the increase in cheating largely on the fact that inflation is pushing more Americans into higher tax categories — the phenomenon known as "bracket creep" — and on the growing complexity of federal tax laws.

The office stopped short of predicting a general tax revolt, but said that "growing numbers of people in this country are unwilling to comply voluntarily" with tax laws. Therefore, it said, "it is imperative that IRS have sufficient resources to maintain the integrity of our tax system."

The office said internal surveys by the revenue service show that taxes evaded by individuals will grow from \$20 billion to \$80 billion by 1984. However, when corporations are included in the figure, the total revenue loss will amount to \$80 billion in 1982 alone, the report said.

Responding to the findings, Roscoe T. Egger Jr., the commissioner of the revenue service, told the subcommittee that his agency would soon devote more resources "to deal in a firm and fair way with problems of noncompliance."

As announced earlier by Treasury Secretary Donald T. Regan, the proposed revenue service budget for the year starting next October provides for 5,225 more agents and support employees, Mr. Egger said. It calls for spending an additional \$154 million "to assure that all taxpayers pay their fair share of the tax burden," he told the subcommittee.

Although the hiring of the additional agents will more than pay for itself, Mr. Egger said he could not offer hope that the \$80 billion "tax gap" can be significantly closed.

"Based on experience, the service estimates that this increased enforcement capability will result in increased revenues of approximately \$1.9 billion," he said. Mr. Egger indicated that a major reason for the loss to tax revenue is the failure of some taxpayers to report income from stocks and bonds.

He told the subcommittee that he doubts Congress would approve the unleashing of an army of tax

agents, reminiscent of a "police state," to enforce the tax laws and that, as an alternative, the service is stepping up its effort to catch omissions of income from sources for which the agency has records, notably interest and dividends.

William J. Anderson, director of the general government division of the GAO, said studies in which citizens were granted anonymity show that 25 percent of all taxpayers "cheat somewhat on their returns."

"So it's a major problem," he said. "Extensive evidence is available to show that noncompliance among both corporate and individual taxpayers is a serious problem and is getting worse."

Describing methods used to evade taxes, the accounting office's study said "the use of overseas tax havens has grown rapidly in the past several years." Capitalizing on bank secrecy laws in such nearby foreign jurisdictions as the Bahamas and the British-run Cayman Islands, U.S. citizens have concealed some of their income in foreign trust accounts, Mr. Anderson said.

Other enforcement problems involve "the proliferation of [illegal] tax shelters" in the United States, with 248,000 tax returns being checked for possible use of such schemes, the office said.

The growth of the so-called "tax protester" movement in scattered parts of the country has posed additional problems, the report said.

## Reagan Widens Attack On Press to Include TV

By George Skelton  
Los Angeles Times Service

WASHINGTON — President Reagan for the second time this week has attacked press coverage of his administration and has blamed television for slowing the nation's economic recovery by dwelling on unemployment and individual hardships.

Mr. Reagan told the Daily Oklahoman (Oklahoma City) that "in a time of recession like this there's a great element of psychology in economics."

"And you can't turn on the evening news," he said, "without seeing that they're going to interview someone who has lost his job or they're outside the factory gate that has laid off workers — the constant downward that can contribute psychologically to slowing down a new recovery that is in the offing."

"Is it news," the president asked, "that some fellow out in South Sacoastish someplace has just been laid off... or someone's complaining that the budget cuts are going to hurt their present program?"

In the second interview, for TV Guide, Mr. Reagan complained of television reporting about El Salvador's civil war. "There has been a kind of an editorial slant that has something, almost, of the Vietnam syndrome, which challenges what we're doing there," he said.

The president's criticisms of media coverage have been echoed recently by some of his advisers and were re-emphasized Wednesday by his chief spokesman, David K. Gergen, the White House communications director.

"Our view is that a continual emphasis upon the negative can influence public psychology regarding the economy," Mr. Gergen said. "We think there has been a contribution to the psychology of the country... It's a question of keeping things in perspective."

He accused the media of dwelling too heavily on unemployment, for instance, and not enough on the cooling of inflation.

Until recently, Mr. Reagan's complaints about the media had not extended to television. His political career has its roots in television and he frequently has praised TV as a medium that reflects relatively few biases.

But Mr. Reagan has been changing his view, and he told the Daily

Oklahoman: "With regard to the network news, I wonder sometimes if it isn't the battle of the ratings... and if they aren't more concerned with entertainment than they are with delivering news. It's an entertainment medium and they're looking for what's eye-catching and spectacular."

One of the interviewers asked whether he felt there was a danger that his "image as a compassionate, kind, generous man could be eroded."

"I think there's not only a possibility," he answered, "I think they're doing a pretty good job of it. I'm Scone to a lot of people and if they only knew it, I'm the softest touch they've had for a long time."

Mr. Gergen said Mr. Reagan regularly watches network television news in the morning and in the evening. "He's watching it more and enjoying it less," he said.

In the newspaper interview, Mr. Reagan complained about watching a TV report of a disabled man who had been dropped from Social Security disability payments. Mr. Reagan said he found out later that the report was inaccurate because the man actually had been removed from disability payments in 1980, when it was learned he was working full-time. But the president apparently was wrong.

The disabled man's attorney, Laurence J. Pascal, said Wednesday that the man was taken off disability by mistake last year after having not worked since 1976 and his benefits were reinstated last week, several days before Mr. Reagan's interview.

Reagan Is Conciliatory  
WASHINGTON (UPI) — Mr. Reagan on Thursday apparently tried to soften his criticism of the media, while giving a speech to the National Association of Manufacturers.

"I hope I didn't touch a nerve with the press a few days ago," he said. "Most of the time, the overwhelming number of them are doing a fine job. As a former reporter, columnist and broadcaster, I know how tough the job can be."

"I have always been, and always will be in complete agreement with Thomas Jefferson, who said if he had a choice between government without a press and the press without government, he would choose the latter," Mr. Reagan said.

But he also quoted Jefferson, the third president of the United States, as saying: "Editors should divide their papers in four sections: truth, probabilities, possibilities and lies."

"Presidents, even Jefferson, have their moods just like everyone else, including members of the press," he said, adding that he may have had "momentary frustrations or misunderstandings, but that's all it is."

## VOA Planning Latin American Radio Network

United Press International

WASHINGTON — The Voice of America will build a network of radio stations in Central America and the Caribbean to counteract Soviet and Cuban propaganda in the region, the administration has disclosed.

"We are involved in a war of ideas and of credibility. Our adversary is the Soviet Union and our weapon is the truth," Charles Z. Wick, director of the U.S. International Communication Agency, said in announcing the plan Wednesday. He told the House international operations subcommittee that he estimated the cost of the project at \$11.2 million.

Mr. Wick said the agency's recently begun propaganda effort, "Project Truth," was "refuting the massive Soviet campaign of disinformation and misinformation about us and our intentions in the world."

The project is not related to Radio Marti, a radio station modeled on Radio Free Europe that would broadcast only to Cuba. Congress must authorize the station and approve \$10 million in federal subsidies before it begins operating.

## Mugabe Orders New Constitution

The Associated Press

SALISBURY — Prime Minister Robert Mugabe has ordered a Cabinet minister to rewrite the British-drafted constitution. The present document was approved by Mr. Mugabe and other parties at the British-chaired Lancaster House peace talks in London in December, 1979.

But newly appointed Legal and Parliamentary Affairs Minister Eddison Zvobgo, who will rewrite the constitution, said Wednesday that the document had been "imposed on us" by Britain, the colonial power until April 18, 1980.

He did not specify which parts of the constitution needed amending. But he said Mr. Mugabe's ruling Zimbabwe African National Union favored a change in the two-house Parliament — a National Assembly and Senate — and wanted an executive president rather than a prime minister.

## AUTHORS WANTED BY N.Y. PUBLISHER

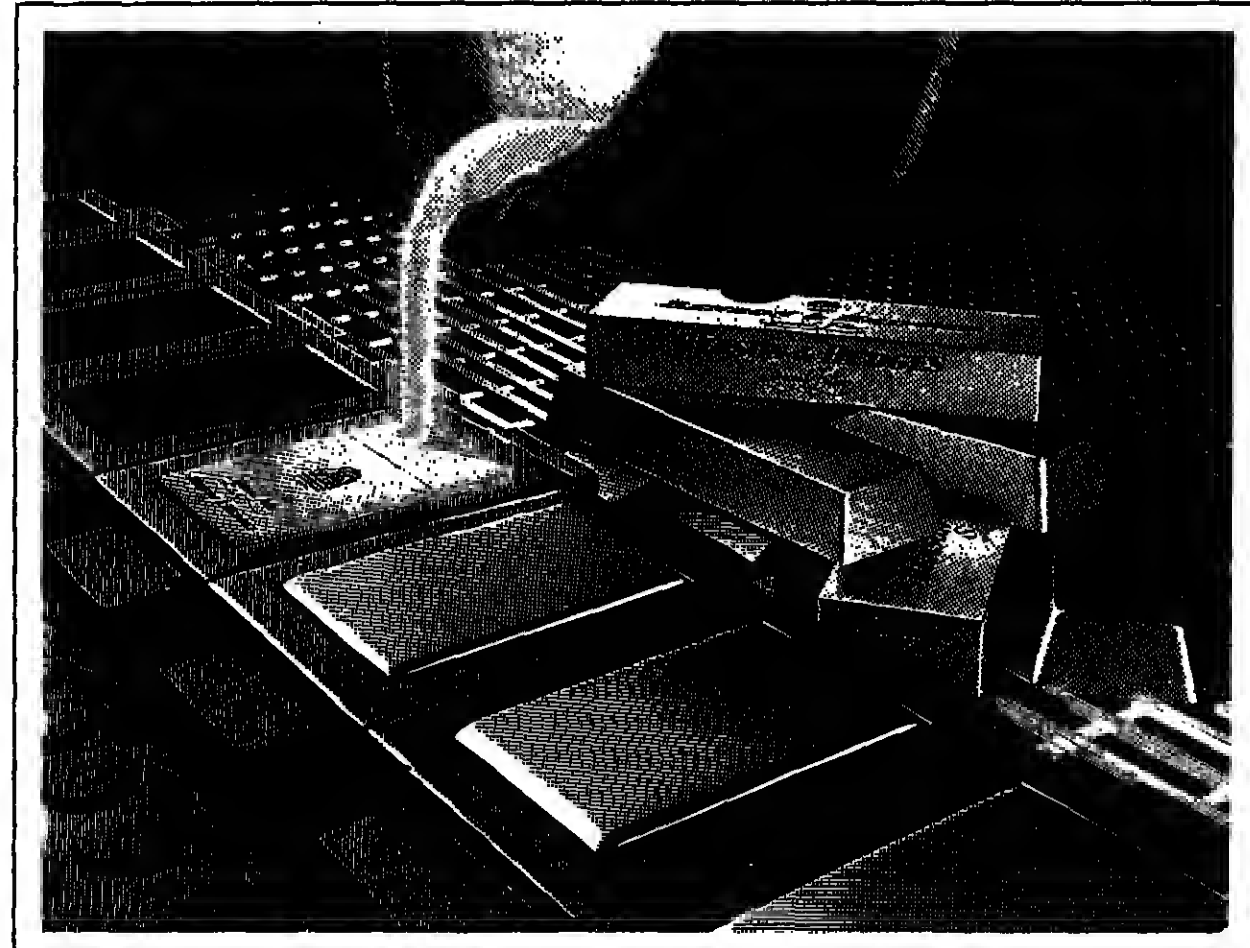
Leading writers look for new books. Manuscripts of all types: fiction, non-fiction, poetry, prose, scholarly and religious works, etc. New authors: unknown. Send to New York: 11-3 Van Ness, New York 10011-3. Free samples.

**Best TAX-FREE EXPORT PRICES!**

ALL PERFUMES • COSMETICS  
BAGS • SCARVES • TIES  
FASHION ACCESSORIES

**MICHEL SWISS**  
16, RUE DE LA PAIX  
PARIS

2nd Floor, Elevator  
FLAWLESS MAIL ORDER DEPARTMENT  
FREE SAMPLES  
Phone: 261.71.71

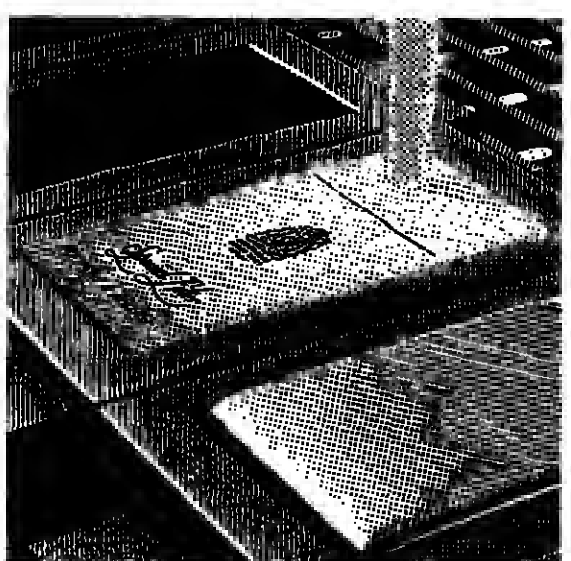


Discover gold

**Benson & Hedges**  
Special Filter  
The world's finest taste in cigarettes



Created and perfected by the House of Benson & Hedges





## Reagan and The Bomb

"Counting counting they were all the time. They had iron then and big fire.... They had machines and numbers up. They fed them numbers and they fraction out the Power of things. They had the Nos. of the rain bow and the Power of the air all work out with counting which is how they got boats in the air and pictures on the wind.... They put in the Big 1 and...there come a flash of light then bigger nor the wool world and it ternet the nite to day. Then every thing gone black. Nothing only nite for years on end...."

That's the way civilization ended in Russell Hohan's remarkable novel "Riddle Walker." Modern literature is punctuated with other portraits of The Bomb, such as "On the Beach" and "Dr. Strangelove." Art and science, fact and fiction have drilled it into us for years: Nuclear weapons can be hazardous to our health.

Yet it is all arising anew. U.S. society seems to be rediscovering its own mortality. The New Yorker recently devoted 90,000 words to "The Fate of the World" by Jonathan Schell. New England town meetings vote decisively against nuclear armaments. Half a million Californians sign weapons-free petitions. Senators Kennedy and Hatfield propose freeze legislation, supported by 148 other members of Congress.

Why, 37 years into the Atomic Age, the sudden rush of concern? Has the European peace movement crossed the Atlantic? Is it that a new generation has grown up ignorant of Strangelove? Have older generations failed fully to appreciate the risks? Maybe; but the polls suggest a clearer explanation for why so many people have become so alarmed about The Bomb: President Reagan.

During the 1980 campaign, Reagan ably evaded the tag of nuclear risk-taker. Only 3 voters in 10 said yes, he was likely to get America into a war. But after his first year in office, almost half said yes.

That's hardly surprising given the administration's saher-rattling toward the Russians and the more specific talk of limiting and somehow surviving nuclear war. Reagan won applause last fall when he finally promised to revive the SALT talks, renamed START. But

START hasn't started and probably can't before June. If it had started, much of the present nuclear freeze movement might never have developed.

All of which creates two questions: How justified is the alarm and agitation? Why hasn't Reagan done more to allay it?

Our deepest bunch is that there are no new grounds for alarm. Reagan knows that nuclear war is not winnable. The occasional talk of limited strategic war is posturing. But bunches do not comfort people made uneasy about any posturing near the nuclear button. More genuine reassurance can be found in Reagan's behavior.

He remains tenaciously attached to extraordinary increases in military spending. Still, for all the growing, his conduct concerning the Russians has been tame.

Jimmy Carter imposed a grain embargo on the Kremlin as punishment for Afghanistan. What did the ferocious Reagan do about it? He lifted it. What has the ferocious Reagan done to retaliate for martial law in Poland? He hasn't even imposed credit controls. What has he done about that "unequal" and "unverifiable" SALT-2 treaty? Though it's still unratified, he has made a quiet deal with Moscow to observe it.

He seems determined to look tough, whatever the political price. He knows what 500,000 freeze signatures mean in California. Yet his administration's only response to all the alarm is for Secretary Haig to denounce the freeze proposal as "devastating." Haig may be right about the technical merits. But so what? How many freeze supporters know the intricacies of arms control? To dwell on them is to miss the point.

The problem is not nuclear but political. The freeze movement members are not lobbyists pressing for a specific piece of legislation. They are people, ordinary citizens, pressing for something much less intricate. They want to put nuclear restraint back on the track, to give diplomacy, and peace, a chance. The wonder is that the Reagan administration seems so determined to take the other side.

THE NEW YORK TIMES.

## Wall Street Unbelievers

U.S. Treasury Secretary Donald T. Regan went to New York last week to confront the financial crowd in its lair. "Why don't you believe?" he asked one audience in exasperation. The high interest rates, he suggested, are owed to an irrational psychology generated by misplaced fears that federal deficits will make borrowing more difficult. That's all wrong, he argued, because the administration's program is going to encourage people to save enormous amounts of money. There will be enough savings, according to the secretary, to accommodate everybody who wants to borrow. But meanwhile, Wall Street has spooked Congress with all its keening and wailing over the deficits.

Mr. Regan might as well have spared himself the trouble of the trip. This week the interest rates twitched upward again, and the formidable Henry Kaufman of Salomon Brothers went down to Washington to tell the House Budget Committee what was wrong with Mr. Regan's savings argument. Deficits have to be financed out of savings, and Mr. Kaufman sees no indication that savings will rise as fast as the federal deficits over the next several years. It could happen only if there were a boom in business investment to push the economy. But Mr. Kaufman finds it hard to think that there will be an investment boom when interest rates are unusually high and, because of the recession, utilization of industrial capacity is low. That

is why Mr. Kaufman does not believe. He's hardly alone. It's difficult to find anybody who sees much chance of the strong recovery that the administration keeps predicting for the latter half of the year. Business activity will pick up sometime in late spring, presumably, and it will get a further boost from the income tax cut in July. But an income tax cut also means a sharp increase in the federal deficit, and the Treasury's need to borrow. That's the point at which the loose budget policy collides again with the tight money policy, once more forcing up interest rates. If neither policy is changed, it is quite possible that the economy will be slowing down, rather than speeding up, through the autumn ahead.

Why did interest rates move up this week? Because people in the markets expect them to move up next summer, and there's a bit of anticipatory pushing and shoving going on. People keep saying that the rates are beyond explanation, and perhaps that's true in terms of rigorous analysis. But they become less inexplicable if you remember that the financial markets are now dominated by people who, in the 1970s, lost a lot of money—their own money, their companies' money, their clients' money—by underestimating future rises in inflation and interest rates. Whatever mistakes they may make this year, they don't intend to make that one again.

THE WASHINGTON POST.

## Why Not Bazookas?

Let's have a round of applause—or ammunition—for the brave little city of Kennesaw, Ga., soon to be the pistol-packing capital of the world. What better way to scare off bad guys and attract attention than to enact an ordinance requiring the head of every household to "maintain a firearm, together with ammunition therefor." The only concern of any peace-loving, firearm-owning resident now is what weapon to choose—and the possibilities are almost limitless.

If the council members of Kennesaw really want to send a message to the rest of the United States, they should require top-of-the-line weaponry in every household—the best every resident's defense budget can buy. Why truck with puny little handguns or clumsy cannons? And if Kennesaw is not quite ready for time-primed missile silos on every front lawn, surely the World War II bazooka could do a bang-up job on any unannounced outsiders.

There is some question as to whether only heads of households should be required to

load up—since these could leave spouses and offspring in jeopardy in the event of an intramural attack or a dispute over who constitutes a head and who the body. Better to arm everybody with equalizers and let the chips fall wherever they may.

Kennesaw Police Chief Robert Ruble and others who support the ordinance note that the action was prompted by a recent ordinance passed in Morton Grove, Ill., that bans the possession of handguns by all residents there except police and military personnel, collectors and gun clubs. Says Chief Ruble, "They can forward all their guns from their police department to our police department. We'll be more than happy to accept them."

Though all this may obviate the need for a paid police force in Kennesaw, the chief is on to something constructive: Why not send all the handguns in America to Kennesaw? That way, you would know where they were, and anyone who wanted to live in an arsenal of concealable weapons could go along.

THE WASHINGTON POST.

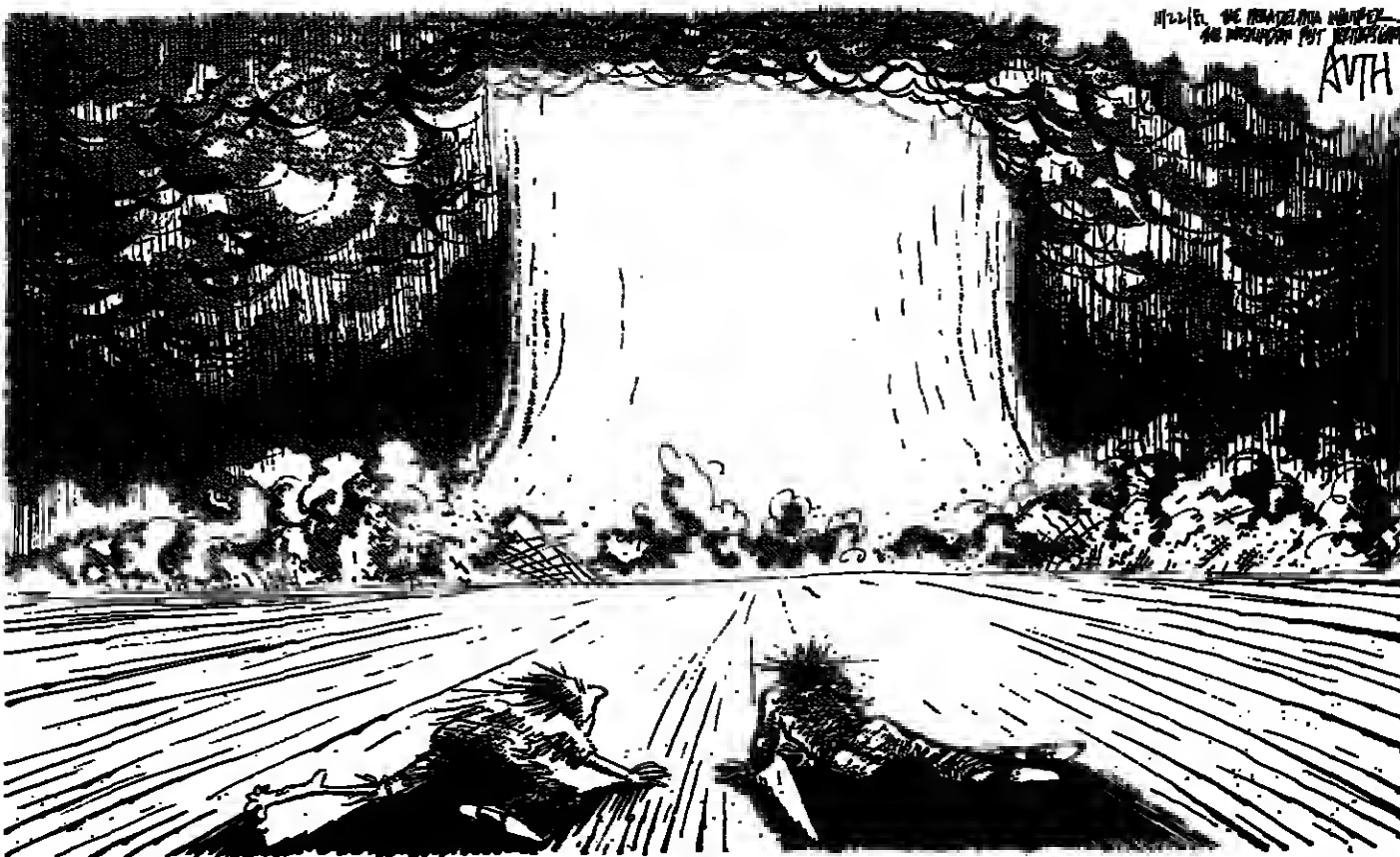
## March 19: From Our Pages of 75 and 50 Years Ago

### 1907: Riviera Dust Bowl

MONTE CARLO — If any one part of Europe is more interested in getting the dust problem than any other, it is surely the Riviera. During the season automobile traffic is so intense, the roads are habitually so dry, that those who have villas along the main roads need some dust-preventive at all hours of the day and night. At Beaulieu and one or two other points along the coast, notably the Promenade des Anglais at Nice, the authorities have settled the question by applying goudronite to the road surface, and this year other localities are either doing the same thing or laying their plans to do so. All the streets of Monaco with a slope of not more than 4 to 5 percent have been treated since 1903.

### 1932: Bipartisan Tax Deal

WASHINGTON — In one of the wildest sessions the House has seen in years, members of both parties revolted against leaders and voted 121 to 84 for the imposition of wartime surtaxes on big incomes. The action strikes at the nation's wealthy, placing on them the burden of making up the treasury deficit. Opponents of the general sales tax provision, which would impose an equal burden on rich and poor alike, were jubilant over their victory in the first show of strength on the new revenue bill. The levy found supporters from Republican and Democratic ranks. It provides for a graduated surtax from 40 percent on incomes above \$100,000 to 65 percent for those above \$5 million.



"The Other Zero Option."

## U.S. Must Challenge the Threat by Brezhnev

By Joseph Kraft

WASHINGTON — A sudden turn of events has handed the Reagan administration a golden opportunity to cut a good deal with Moscow on arms control. For Leonid Brezhnev has coupled an offer that can be topped with a threat that has to be challenged.

Washington is thus in a rare position to combine negotiations with a show of strength. The requirement is a specific, early offer for mutual reductions of intercontinental weapons—that is, a follow-up to the SALT-2 treaty.

Until Brezhnev's latest statement, the Reagan administration was on the defensive in dealing with Russia. At the same time there was pressure, first from the European allies and increasingly from dovish opinion in the United States, for a more flexible U.S. position on arms control. President Reagan eased the pressure somewhat when he outlined, in a speech Nov. 18, the U.S. position for negotiations with Russia on intermediate-range nuclear weapons based in Europe. He said the United States would cancel plans to deploy 572 Pershing and Cruise missiles on the Continent if the Russians agreed to scrap the 900 or so SS-20s they have aimed at Western Europe.

But the yearnings for arms control were satisfied by that so-called zero-based proposal for only a brief period. Recently there has been more pressure from Europe for a U.S. position that included intercontinental weapons. To that there was added last week a congressional

resolution by Senators Edward Kennedy and Mark Hatfield calling for negotiation of an immediate halt to the nuclear arms race.

These demands on the Reagan administration for more concessions provided the backdrop for the Brezhnev statement. The Soviet leader first reiterated, in somewhat more formal fashion, a freeze proposal that dovetailed perfectly with the Kennedy-Hatfield resolution. He said that "the Soviet leadership has taken a decision to introduce unilaterally a moratorium on the deployment of medium-range nuclear armaments in the European part of the U.S.S.R." He called on the United States and its allies to follow suit—but, as President Reagan observed, that would "lock in" Russia's enormous advantage in nuclear weapons on the Continent.

### "Analogous Position"

To that offer, Brezhnev added—for the first time at his level—a distinct threat as to what Russia would do if NATO went ahead with the deployment of the Cruise and Pershing missiles: "There would arise a real additional threat to our country and its allies from the United States. This would compel us to take retaliatory steps that would put the other side, including the United States itself, in our territory, in an analogous position."

The general nature of that threat admits no doubt. The use of the word "analogous,"

moreover, suggests that the Soviet leader has in mind subjecting the United States to the menace of intermediate-range nuclear weapons. Such weapons could reach U.S. territory only if based in Cuba.

But three times—under the Kennedy administration during the missile crisis of 1962 and under the Nixon and Carter administrations in lesser episodes—Washington has exacted from Moscow a pledge not to place nuclear weapons in Cuba. The Reagan administration cannot allow even an implicit threat to that understanding to go by.

The heavy odds are that Moscow will once more climb down on using Cuba. But that, of course, is only half the battle. The great opportunity is to use the occasion to advance the arms control negotiations from the domain of intermediate missiles in Europe to the area of intercontinental weapons.

The elements of a deal are obvious. The United States can ask the Russians to scrap their massive nuclear blockbusters—the SS-18s especially. In return Washington would cancel projects to build such new weapons as the B-1 bomber or the MX missile.

The riposte to Brezhnev would be at that point complete. The United States would be on front on arms control proposals. Russia would be on the defensive. It is possible—even likely—that there would be true progress in reducing arms and making the world a safer place.

©1982, Los Angeles Times.

## Is the World Bank 'Quietly Withering Away'?

By Jonathan Power

LONDON — Could one of those mighty institutions, the creations of John Maynard Keynes and John White at Bretton Woods, N.H., in 1944—the World Bank and the International Monetary Fund—wither away? To raise the question may seem ridiculous: The World Bank dispenses \$12 billion of loans a year and the IMF is accepted for better or worse as the world's financial policeman.

Yet increasingly in Europe and the Third World, the feeling is that the gradual undermining of these institutions by the United States has gone so far that more or less the same would begin to make nonsense of them.

While it is possible to argue that, under the astute leadership of the French Jacques de Larosiere of the IMF, Jacques Delors of the World Bank, the IMF has rebuilt some of its strength, the World Bank seems to have been on a downward course for the best part of six years. If there is a benchmark, it is the tenure of William Simon as U.S. Treasury secretary under President Nixon and Ford. Simon was passionately hostile to the bank, not least because he felt that its

president, Robert McNamara, was too close to OPEC, courting the new oil rich to recycle their acquired dollars through the bank rather than concentrating on breaking up the cartel.

The advent of the Carter administration momentarily lightened the gloom, and U.S. lending to the bank increased initially. But Congress, dominated by a coalition of some liberals attempting to force human-rights criteria on the bank's lending program and conservatives seeking to reduce its power, succeeded in constraining its growth. The bank's lending operations were barely keeping pace with global inflation and certainly not rising to compensate for the increasingly severe development problems of the Third World as it confronted higher oil prices, falling commodity prices and more protected markets.

This all came to a head over the bank's desire to give its first loan to Communist Vietnam, for an agricultural project in a famine area. In the ensuing uproar, the bill to replenish the funds of the bank's

soft-loan wing, the International Development Agency, was killed. The Reagan administration has continued the onslaught. It has used its muscle to extend Congress' squeeze on the bank. This applies particularly to its low-interest IDA loans, which are often blended with the mainstream bank lending to keep down the overall interest rate. It has also made it clear that it is not going to increase the bank's paid-in capital.

This is why the bank's former head of policy planning, Mahbub ul-Haq, who is going back to Pakistan to be minister of economic planning, talks about the bank "quietly withering away." What is the point, he asks, of having an institution that is no longer an intermediary between the commercial banks and the developing countries? There is no point in new bank president A.W. Clausen's remedy of going to the private market for funds unless the bank can convert them into something more attractive by lowering the interest rates and extending their terms.

One way out would be to persuade the United States to relax its grip. OPEC and Western Europe should unlink their contributions from those of the United States. These countries lend to the bank in a fixed ratio to U.S. lending. When the United States was the pacemaker in the 1950s and '60s the link was invaluable. Now the cut by the United States of \$300 million for the IDA means a total shortfall of \$1.5 billion as the Europeans and OPEC proportionately match the cuts.

Once unlinking has been achieved, Europe and OPEC should push for more realistic share of the organizational vote to reflect their new economic strength. The United States has 21 percent of the vote, which enables it to veto major structural changes. This reflected a fair share of U.S. power after World War II, but it does not in 1982.

### Major Defaults

If this does not happen, because of U.S. resistance or European and OPEC feebleness, what then? Mahbub ul-Haq predicts that, by the end of the 1980s, there will be a push to take up one of the major recommendations of the Brandt North-South report: a world development fund, independent of the World Bank and IMF.

This could be triggered by a crisis in the world banking system. One or two major defaults would drive home the need for revitalizing the original Keynesian concept of an international institution as a bridge between the commercial world and the developing world. This new institution could seek—as the Brandt report suggested—to base its funds not on the changing whims of governments but on automatic revenues paid through a system of international taxation on such things as use of the seabed, air traffic and the arms trade.

The pressures on developing countries' finance have never been so severe. A continuation of high interest rates and low demand could push a major debtor country like Brazil or Peru into serious financial difficulties. If this happened, the ferment that produced the original Bretton Woods institutions might be repeated—but with rather different results.

The writer is editorial adviser to the Independent Commission on Disarmament and Security Issues.

## Let the Japanese Help Rural Java

By Richard Critchfield

NEW YORK — Fifteen years ago, a village in Java all but meant a community of ill-fed, raggedly clothed peasants who lived in windowless bamboo huts and slept on straw mats. Hunger in the dry season was an annual curse. Today, amid new irrigation canals and year-round, scientific-hired rice crops, a village is more likely to mean brick bungalows, brick cottages with the roofs and glass-paned windows, iron beds with mosquito nets and the occasional motorcycle or television set. To a new generation zooming down highways with transistors blaring, it all feels like progress.

But not enough. A huge, floating underclass of jobless village Indonesians still exists in every Indonesian city—Jakarta alone may have 300,000. As President Suharto seeks to legitimize his 16-year rule for another six years in national elections in May, unemployment among 30 million landless Javanese remains his biggest problem. This matters because about 100 million of the 150 million Indonesians, or two-thirds of the earth's fifth biggest population, are crowded onto the island.

### No Answer

Four years ago, at a conference on increasing employment in rural Java, Gen. Suharto asked his assembled U.S.-educated technocrats: "What I want to know from you is, how?" He has not had an answer. These men have produced some economic miracles since they took over in partnership with Suharto's soldiers in 1966, but they seem to have run out of ideas.

Despite widespread corruption and the collapse in 1975 of Per-

tamina, the state oil company, Indonesia's economy looks healthy today. Oil and commodity prices are affected by the world slump but oil exploration is booming. The rice crop, up from 12.2 million tons in 1973-74, is estimated at 22 million for 1981-82. Vigorous measures to control births have reduced the rate of natural increase from 2.4 percent in 1977 to 1.9 percent, and to an amazing 1 percent in East Java and Bali.

But out in Java's villages, density has reached an elbow-to-elbow 1,725 persons per square mile. As in Egypt's Nile Valley or Mexico's central highlands, absolute population growth has outstripped land and water.

What is to be done? South Korea and Taiwan point to the solution: villages that are 100 percent literate, 100 percent electrified and dotted with the smokestacks of decentralized, small-scale industry that boosts farm families' income and virtually ends rural unemployment.

Java's 35,000 villages are 65 percent literate but only 1 percent electrified. A free market and 10,000 successful small businesses to turn out consumer goods could provide jobs to keep potential urban migrants home and happy. The villagers themselves know what they want. In a survey I made of more than 250 of them in 35 widely scattered villages, they said their needs were better irrigation, better roads, more schools, credit for small-scale industry and technical training. I all fit together.

Probably the best way to industrialize rural Java would be to let the Japanese do it. Japan has \$3.5 billion invested in more than 200 joint ventures in Indonesia, most

of them in capital-intensive manufacturing industries. Last year, a start was made when Japan agreed to help develop small-scale engineering shops for subcontracting.

Indonesia's 4 million Chinese are prevented by politically motivated restrictions from investing more in labor-intensive village industry. Yet the Chinese discreetly manage the business affairs of most Indonesian villages. What's good enough for generals ought to be good enough for villagers.

Jakarta's anxious planners fear a backlash of xenophobia if the Japanese and Chinese get too conspicuously involved. They should ask the villagers. Rural Javanese badly want jobs and are unlikely to be xenophobic toward anyone who provides them.

Richard Critchfield is the author of "Villages" and writes about villages for The Economist. He contributed this article to The New York Times.

## Letters

### ICA Speaker Program

Fred Warner Neal's article "Propaganda Jeopardizes Cultural Exchange" (IHT, March 17) is long on personal piety but short on accuracy.

Prof. Neal seems to contend that he was entitled to be a speaker for the U.S. International Cultural Exchange Agency because he is a scholar of international relations. To set the record straight, Prof. Neal offered to speak in Yugoslavia, or anywhere else we might want to send him, under U.S. sponsorship. He proposed to talk about the state of East-West relations.

His indignation at being asked whether he supports administration policy shows that he does not understand why we sponsor speakers abroad. The program is not an attempt to recruit traveling academics but an instrument of foreign policy.

Our posts request speakers to fill a particular need. They work hard making contacts to bring in an audience for a purpose. At the time the professor planned to be traveling, the administration was less than a year old and all of our posts were calling for speakers who could explain the new policies to local opinion-makers.

In Eastern Europe, where Prof. Neal was going, our public affairs officers specialize in gathering small, sophisticated audiences to hear information not available in their controlled media. Having invited an audience to hear knowledgeable advocacy of U.S. policy, their credibility is at stake if the speaker cannot deliver.

The program officer explained to the professor that speakers were needed who could present the case for new U.S. policies and asked if he would be comfortable in that role. Prof. Neal says he couldn't support administration policy because he didn't understand it. Why would we sponsor him to make the case for a policy he doesn't understand?

His claim that there is a "political literacy test" is nonsense. We program Democrats, Republicans, liberals, conservatives, centrists, journalists, musicians, architects, designers, artists, movie stars and economists. We never inquire about their political affiliation. When their task will involve explaining current U.S. policy, we do ask them how they feel about it. And that should apply for whatever administration is in office.

It is true that prior administrations have tended to sponsor scholars' travel simply to display the pluralism of American scholars. Prof. Neal was a beneficiary of that tendency. However, we feel that funding for such a general purpose is more appropriately found in the Fulbright program and other academic exchanges, both public and private. Those grants allow longer stays and a more genuine foreign experience with American scholarship than does speakers' program.

We have had many calls from reporters who have been contacted by disappointed academics unable to understand this distinction. Our spokesmen have not been told to "stonewall it," as Prof. Neal claims, but have been cheerfully and fully explaining this matter.

CHARLES Z. WICK, Director, ICA, Washington.

### Nicosia 'Green Line'

One grave inaccuracy mars Marvin Howe's otherwise factual report (IHT, March 17) on efforts toward reconciliation in Cyprus: The "green line" in Nicosia only "became a battlefield" on the day Turkish troops invaded the island (July 20, 1974), not before. The fighting did not, therefore, "lead to" the Turkish invasion, but was a direct consequence of it.

P. HADJIYANNIS, Press Counselor, Embassy of Cyprus, Paris.

### Holy Emperors

Everybody enjoyed John Russell's musings on fireplaces (IHT, Feb. 22), but pedants like me must raise an eyebrow when he mentions the cold French winter suffered by Julian the Apostate—soon to be Holy Roman emperor—in the first half of the fourth century. To split a minor hair, it was the second half. Julian was in France a few years between 355 and 360. He ruled briefly (361-363) as Roman emperor, but not as Holy Roman emperor, a title invented centuries later.

While a few people argue that the so-called Holy Roman Empire began with Charlemagne's coronation in 800, the great majority prefer 962, when Pope John XII crowned Otto I. Nobody is quite sure when the word "holy" crept into the emperor's title. Documentary proof seems to be missing before a letter from Emperor Frederick I Barbarossa in 1157. Emperors after him used the word occasionally, until it became standard with Charles IV (1355-1378) and was continued by all his successors until the fatal date of Aug. 6, 1906. On that day, under pressure from Napoleon, the last Holy Roman emperor, Francis II, abandoned the ancient title and henceforth styled himself merely Francis I, hereditary emperor of Austria.

GORDON GASKILL, Rome.

<b>INTERNATIONAL Herald Tribune</b> Published with The New York Times and The Washington Post	
John Hay Whitney (1904-1982) Chairman	
Katharine Graham Co-Chairman	Arthur Ochs Sulzberger Co-Chairman
International Herald Tribune, S.A. au capital de 1,200,000 F. R.C.S. Nouveau 87321115-179-181, av. Charles de Gaulle, 92221 Neuilly-sur-Seine Paris Cedex 16. Tél. 01-47-12-40. Telex 40718 Herald Tribune. U.S. subscribers send \$25 yearly. Second class postage paid at Long Island City, N.Y. 11101. © 1982 International Herald Tribune. All rights reserved. Composition: Paragon S.A. 24/25	
General Manager: André Lemaire 24-26 Rue de la Paix, Paris 1001 Hong Kong. Tél. 5-29 36 18/9. Telex 61170 DITECH.	
Lee W. Fehner Philip M. Foisie Walter N. Wells Robert K. McCabe Samuel Abt Carl Gewirtz	Publisher Executive Editor Editor Deputy Editors Associate Editor
Roland Pissone René Bondy François Desmoussins Richard H. Morgan	Associate Publisher Director of Finance Director of Circulation Director of Advertising

JOHN HAY WHITNEY



## Chinese Economists Go to Moscow In Latest Sign of Better Relations

By Dusko Doder

Washington Post Service

MOSCOW — China has sent three economic experts on an unofficial visit to the Soviet Union in the first such move in nearly two decades. Political observers interpreted the visit as the latest sign that tensions may be easing between the two Communist giants.

Chinese sources said the three specialists arrived in Moscow 10 days ago as guests of China's ambassador to Moscow, Yang Shouzheng, and are expected to return to Peking later this week. They said the three were to discuss various economic issues, including "Soviet management methods," with Soviet officials and experts.

The three men, whose names were not disclosed, have been

received by Alexander Bachurin, deputy chief of the Soviet State Planning Committee.

The Chinese move followed a public call last month by Soviet Premier Nikolai A. Tikhonov for the resumption of a Chinese-Soviet dialogue. In what appeared to be one of the most positive signals of a thaw in recent years, Mr. Tikhonov asserted that there were no problems between the two countries that could not be resolved "on the basis of equality and in the spirit of mutual understanding."

Diplomatic observers in Moscow said the visit could reflect Peking's current dissatisfaction with President Reagan's foreign policy. They specifically mentioned the prospect of sales of U.S. weapons to the Taiwanese.

Since the outbreak of the Chi-

nese-Soviet feud in the early 1960s, there have been no informal visits to Moscow by the Chinese. Apart from maintaining their respective diplomatic missions, the two sides have met annually to set up their trade list. Trade has been small — about \$400 million in total volume in 1980.

After the outbreak of border hostilities in 1969, negotiations were opened, but were broken off more than three years ago. Moscow proposed last October that the two countries begin talks aimed at improving relations or at the least resume border negotiations.

While the talks were not expected to remove resentments accumulated over two decades, the Soviet Union apparently expects that any easing of tension could negatively influence Chinese relations with the United States.

The U.S.-Chinese rapprochement is viewed in Moscow as the principal threat to the Soviet Union in Asia.

Besides the Soviet overtures, there have been other indications in Moscow that Chinese-Soviet relations have thawed slightly in recent months. Chinese sources said an official described as the head of an institute on foreign policy under the Soviet Ministry of Foreign Affairs visited Peking in January and talked with Chinese Foreign Ministry officials.

There have also been unconfirmed rumors in Moscow that the two sides plan to reopen the border talks soon.

## China Reports Giving Work to 6 Million Jobless

The Associated Press

PEKING

Six million unemployed Chinese were given jobs last year, and a number of cities now have full employment, the Chinese news agency reported.

In all, 8 million people received jobs in 1981, the agency said. It said the other 2 million were demobilized soldiers and secondary technical school and college graduates. In the last three years, it added, 26 million people in urban areas have been given jobs.

The agency did not give a figure for nationwide unemployment. Foreign analysts have estimated it could exceed 10 million in an urban labor force of more than 120 million. Of China's 1 billion people, 800 million are peasants. Of the 6 million unemployed who were given jobs last year, 49 percent went to work in collectively owned rather than state-owned businesses, the agency said.

At the end of 1981, it added, China had 1.1 million self-employed workers, engaged mostly in tailoring, catering, repair work and other service trades. The number was up by 300,000 from 1980, it said.

In addition to more jobs in collectively owned businesses and self-employment, light industry and service trades created more job opportunities, the agency said.

## Japanese Bestseller Recalls Atrocities of War

Revisionist Books on Period Entertain, Sometimes Shock Public

By Jim Abrams

The Associated Press

TOKYO — The No. 1 bestseller in Japan since early this year has been a blockbuster on Japanese Imperial Army atrocities against prisoners of war during World War II, a tale of horror which testifies that the conflict still gnaws at the national conscience.

"Akuma no Hoshoku" (The Devil's Gluttony) describes the Kwantung Army's top-secret 731st unit, which is believed to have killed as many as 3,000 Chinese, Soviet and Korean prisoners in carrying out a gruesome array of bacteriological and other experiments.

The story told by author Seichi Morimura, a popular writer of best-selling mysteries, is not entirely new. But since its release in December, the book has sold 700,000 copies, the hottest item among several World War II-related books and movies that currently are educating, enlightening and sometimes shocking the Japanese.

By contrast with most material, in which Japan rarely is depicted as a transgressor, Mr. Morimura's book tells in horrifying detail how the germ warfare unit in Manchuria injected victims with typhus, cholera and plague germs, did live dissections, froze prisoners to death in cold-durability tests, conducted venereal disease studies on women, blasted prisoners apart in grenade tests, and, when Soviet

troops arrived at war's end, gassed the last POWs to death.

(An article in the U.S. publication, The Bulletin of the Atomic Scientists, last year claimed that some American prisoners were used in the tests. It said this was confirmed in a 1956 FBI memo, and also said U.S. authorities knew it when they chose not to try the Japanese responsible as war criminals, supposedly in exchange for data obtained in the experiments.)

### Popular War Themes

The popularity of war themes is indicated by the fact that Japan's most successful movie last year was "Rango Kaman" (The Grand Fleet), a saga of Japan's Navy from Pearl Harbor to the sinking of the superbattleship Yamato in 1945. Its makers, Toho, plan three more World War II films this year.

The rival Toei company will soon release a movie in which the hero is Japan's wartime premier, Gen. Hideki Tojo, who was executed as a war criminal. The film reportedly treats him with relative sympathy.

One major publisher has begun selling a 20-volume detailed history of the Pacific air war, while another offers a 17-volume series of personal war experiences heavily laced with suffering and self-justifications.

Japan's vocal anti-war groups are concerned about what they call the "war boom" and the impres-

sions it may have on Japanese youth, who are taught little about their nation's march to military self-destruction.

Young people go to war movies today the way we went to American Westerns or samurai films when we were kids," said Ryozyo Watanabe, sociology of law professor at Tokyo University. "It's all ancient history to them, with no meaning to their lives."

By contrast to the dry, rather objective tone of such films as the West German picture "Das Boot," a World War II U-boat epic now playing to large audiences in Tokyo, Japanese war movies are "emotional, tragic and tearful," said the daily Asahi Shimbun.

Typical is Toho's soon-to-be-re-

leased "Himeyuri-no-to" (Himeyuri Tower), in which several young female pop stars have leading roles in retelling the well-known story of a group of schoolgirls killed in the U.S. invasion of Okinawa in 1945.

Despite interest in war themes, the Japanese, more than half of whom were born since the 1945 surrender, show little interest in Japan's imperial past, Prof. Watanabe said.

### Images of Himeyuri

A survey by the newspaper Yomiuri Shimbun found that only 21 percent of persons in their 20s associated Dec. 8 (Dec. 7 in America) with the start of the Pacific War. For almost a third of those in this age group, the name "Pearl Harbor" first conjures up images of honeymoons and travel, the poll showed.

One battle for the hearts and minds of indifferent youth is being fought over school textbooks, with the conservative government trying to tone down critical accounts of Japan's past and leftist teachers' groups urging more graphic treatment of the war.

Japan's large and active anti-war factions, including novelists and filmmakers, generally condemn war only from the standpoint of Japan's own suffering — 3 million casualties, firebombings of its cities and atomic attacks on Hiroshima and Nagasaki. The Imperial Army's brutal subjugation of much of Asia is seldom mentioned.

## Gandhi Suffers Setback As Assam Regime Falls

United Press International

NEW DELHI — The government of the oil-rich state of Assam resigned Thursday, the second state to fall in as many days, in a setback for Prime Minister Indira Gandhi that could force elections in the two states.

Opposition lawmakers pressured the Assamese chief minister, Keshab Gogoi, into submitting his resignation to Gov. Prakash Mohoratra when he lost his majority in the state legislature.

Gov. Mohoratra accepted the resignation and asked Mr. Gogoi to remain in office until other arrangements can be made. The northeast Indian state is most likely to come under presidential rule, which puts it under the direct control of New Delhi until elections can be held.

The chief minister of Kerala state, K. Karumakaram, resigned Wednesday after only 79 days in power, when a member of his coalition defected to join the ranks of

independent legislators, leaving the government one vote short of a majority of the 141 members of the assembly.

The government placed Kerala under presidential rule late Wednesday for the seventh time since India achieved independence from British colonial rule in 1947.

Before they fell, Assam and Kerala were ruled by shaky coalitions led by Mrs. Gandhi's Congress Party.

Mr. Gogoi gave up trying to hold his coalition together after only 65 days in office. The opposition forced a no-confidence motion on charges he had no majority among the 118 members of the house.

Mrs. Gandhi's failure to impose minority governments on the two states amounted to a setback for her party. But since she will control both states under presidential rule, it was not a major blow.

The Congress Party still holds power in 16 of India's 22 states.

## Kim Il Sung Festivities Seen as Boost for Son

By Henry Scott Stokes

New York Times Service

SEOUL — Kim Il Sung, the North Korean leader, is preparing a lavish celebration of his 70th birthday next month to pave the way for his son's succession to the leadership, according to South Korean intelligence sources.

Mr. Kim, who has led North Korea since 1948, has already delegated much authority to his 40-year-old son, Kim Jong Il, the intelligence sources said. The high point of the birthday ceremony on April 15, they said, will be the public appearance of the father and son together in front of an audience of 100,000 that will include dignitaries from China, the Soviet Union and the Third World.

"Almost the entire North Korean Cabinet is in orbit right now," said a spokesman for the South Korean Agency for National Security Planning, an intelligence group. "They are traveling in Africa, Central and Latin America and elsewhere, seeking to drum up support." The sources said that the ministers were offering to charter airplanes to bring guests to Pyongyang, the North Korean capital, if they could not otherwise afford to make the trip.

The preparations for the birthday events, the intelligence sources said, include a nationwide refurbishing and polishing of some 30,000 statues and monumental busts of President Kim, including the 70-foot statue of the North Korean leader in Pyongyang.

An urgent program is under way to complete state projects to honor the "great leader," as Mr. Kim is called in North Korea, and to show respect to "hero Kim Jong Il." The title of "hero" was bestowed by the father on the son to



Kim Il Sung

mark the younger Mr. Kim's 40th birthday in February.

Many of the celebrations, which will include gymnastics, mass singing of "hymns" in praise of the two leaders, and immense banquets, will be held in newly constructed structures.

In Tokyo, North Korean sources say Kim Jong Il already runs the government in Pyongyang for his father "on a day-to-day basis."

While his father lives, Kim Jong Il is not expected to have absolute power, intelligence officials said. There will be a gradual transfer of authority "over the next five years," according to a spokesman for the Agency for National Security Planning, which was formerly known as the Korean Central Intelligence Agency.

The younger Mr. Kim holds the post of first secretary of the North Korean Communist Party under his father, who is general secretary, and is ranked second in the Politburo to Oh Jin Woo, the defense minister.

Before the April 15 celebrations President Kim is thought likely to appoint his son as a vice president, giving him seniority over three incumbent vice presidents, according to sources here.

South Korean officials said Kim Il Sung's apparent motives in preparing the succession for his son were to guard against a sudden collapse in his reputation after he dies, as happened to Mao in China after 1976 and to Stalin after his death in 1953; to promote a successor who could not turn against him, and to maintain his control over the country even if he should become physically incapacitated.

### 3 U.K. Commandos Killed

OTTENBURN, England — Three members of a Royal Marine Commando platoon were killed and two were injured seriously Thursday when a mortar exploded accidentally during a training exercise.

### WORLDWIDE ENTERTAINMENT

PARIS  
CALAVADOS 720-31-39  
JOE TURNER - LOS LATINOS  
Bar - Restaurant  
Lunch, Dinner & Supper  
40 Ave. Pierre 1<sup>er</sup> de Gaulle  
(Carrefour Georges V)  
OPEN DAY AND NIGHT-Air Cond.  
CHIEF, J. BOURGOIS

# The hardest part of a business trip should be the business. Not the trip.

If you've ever landed in America feeling like you just swam the Atlantic, it's time you flew Pan Am Clipper® Class.

Because no-one does more than Pan Am to deliver the business traveller in great shape to do business.

### Pan Am Privileges.

At the airport we quickly relieve you of your baggage (First Class allowance, by the way) at our special Clipper Class check in. We board you separately, with the First Class passengers.

We put you in your own separate section of the 747 aircraft on generously reclining seats that are scientifically designed for long distance comfort. Set in pairs, so you are never more than one seat away from the aisle.

### Pan Am Service.

We treat you to complimentary cocktails and comfortable cushioned headsets, the better to appreciate our stereo music programme and feature films.

And we serve you from what must be the choicest menu across the Atlantic.

Little wonder then that by the time the movie comes round, many passengers are so relaxed that their eyelids close with the opening titles. A process which our seat, we admit, does nothing to discourage.

What is truly remarkable is that Clipper Class fares are often actually lower than business class fares on other airlines.

### Pan Am's Destinations.

You can fly Clipper Class on all of these non-stop Pan Am transatlantic flights: London to New York, Houston, Washington, D.C., Miami, Los Angeles, San Francisco and Seattle/Tacoma. Frankfurt and Munich to New York. Paris-Orly to New York. Rome to New York. Dhahran to New York.

At the Pan Am Worldport® in New York, you can catch same-day, non-stop connections to another 12 US destinations. Including Dallas/Fort Worth, New Orleans and Detroit.

Clipper Class is also available on Round-the-World services, and many routes within the United States. If you are booked on a US connecting flight which doesn't have Clipper Class service, your Clipper Class ticket automatically entitles you to fly First Class.

So next time business takes you to the States, take Pan Am Clipper Class. You may sleep through the movie, but you'll be wide awake when you arrive.

**PAN AM**  
Clipper Class

FOR ALL THE DETAILS, CONTACT YOUR TRAVEL AGENT OR PHONE PAN AM.









## BUSINESS NEWS BRIEFS

### Marshall Field Seeks Restraint Order on Icahn

CHICAGO — Marshall Field said Thursday it has filed for a temporary restraining order in a New York court barring broker Carl C. Icahn from making further solicitations or recommendations in opposition to the pending tender offer by Batus unless and until the Icahn group complies with disclosure requirements of the federal securities laws.

Mr. Icahn said Tuesday he would "vigorously contest" the merger agreement. The Batus offer came after Mr. Icahn began purchasing Marshall Field stock.

Marshall Field also said Thursday that it has been advised by Batus, a subsidiary of B.A.T. Industries of London, that it may revise its acquisition offer for the company.

### ITT, RCA Move Into Domestic Telex Market

NEW YORK — International Telephone & Telegraph and RCA said in separate announcements they were to begin domestic telex service Thursday following approval by the Federal Communications Commission.

ITT and RCA will begin competing with Western Union which has dominated the domestic market. ITT and RCA gained access to the U.S. market following the repeal of the communications act in December, which also allowed Western Union to move into the international market.

### Sony Revises Sales Prediction Downward

TOKYO — Sony expects sales in the current business year ending Oct. 31 to grow about 10 percent to 15 percent compared with last year, a downward revision from an earlier prediction of about 15 percent.

The company said Thursday it shaved the forecast because of sluggish consumer demand and worsening export. It gave no net income forecast.

### Branniff, Pan Am Seek S. America Routes Deal

WASHINGTON — Endangered Branniff Airways has agreed to let troubled Pan American World Airways take over virtually all of its South American routes for the next four years in return for at least \$30 million of badly needed cash.

Both money-losing airlines asked the Civil Aeronautics Board to give immediate approval to the deal so that Pan Am could start operating Branniff's South American routes on April 25. Pan Am paid Branniff \$7 million Wednesday and will pay another \$13 million to the Dallas-based carrier if the CAB and foreign governments approve the takeover. Another \$10 million will be paid by Pan Am in 1983 and Branniff will get additional payments under a profit-sharing agreement in future years, the announcement said.

Branniff, which lost \$160 million last year, said its "very survival" depended on CAB approval.

### New York to Buy Japanese Cars for Subway

NEW YORK — The New York Metropolitan Transportation Authority has signed a \$274.46-million contract with a Japanese company, Kawasaki Heavy Industries, for the purchase of 325 subway cars, described as graffiti-resistant, which will be financed in part by a \$126 million loan from the Japanese government.

The cars, scheduled to begin arriving in December, 1983, will be the first purchased for the New York City subway system from a foreign manufacturer.

### Nabisco Makes Offer for Huntley & Palmer

LONDON — Nabisco Brands is considering making an offer for Huntley & Palmer Foods worth over 120p per Huntley & Palmer ordinary share, Nabisco said Thursday. Huntley's board has indicated it plans to recommend the terms, it said.

The Trade Department simultaneously said the Nabisco bid has been referred to the Monopolies Commission, along with Rowntree MacKintosh's earlier opposed bid for Huntley.

### Sanyo Puts Off Videodisc Sales Start in Japan

TOKYO — Sanyo Electric said Thursday it has delayed the launch of videodiscs in Japan, scheduled for next month, citing low demand, and would wait to study market trends before deciding a new launching date. Pioneer, which started marketing videodiscs in Japan last October, said it sold an average 4,000 units a month in the 1981 last quarter, but sales have dipped slightly this year.

## NYSE Prices Stage Rally on Broad Front

NEW YORK — Prices on the New York Stock Exchange staged a healthy rally Thursday for the first time in a week, with leadership coming from blue chips and the severely depressed technology stocks.

The Dow Jones industrial average closed up 9.42 points at 305.27, its largest gain this month, and advances led declines by a 10-to-4 margin. Volume widened to 54.27 million shares from 48.90 million Wednesday.

Chester Pado of G. Tsai & Co. said the market appeared to find some support at the 795 level on the Dow average.

Mr. Pado said the stage was set for a rally when no significant selling pressure developed after the Dow average closed below the critical 800 level the prior two sessions.

But analysts said the news background is still primarily negative and doubted that the rally will last much longer than two or three days. Mr. Pado was skeptical that the uptrend could extend beyond the 840 level on the Dow average.

Much of the trading was concentrated on blue chip and heavily capitalized stocks, which analysts read as a signal that institutions are re-entering the market.

Merrill Lynch was the volume leader after a block of 1 million shares traded at 25. It closed at 24 1/2.

Other active issues with gains included IBM, up 1/4 in 57 1/2, RCA up 1/4 to 21 1/2, Citicorp up 1/4 to 23 1/2 and Colgate-Palmolive up 1/4 to 13 1/2.

Bargain hunting boosted technology stocks, which had suffered sharp declines in recent weeks. Active trading rose 1 1/2 to 30, Digital Equipment 1 1/2 to 76 1/2, Honeywell 2 1/2 to 67 1/2, Datacube 1 1/2 to 21 1/2 and Data General 1 1/2 to 32 1/2. Avenet rose 2 1/2 to 44 1/2 after announcing an agreement to acquire IBM computers.

## U.S. Banks Record Increase in Bad Debts

By Julie Salamon

NEW YORK — Polish debt, the troubled U.S. thrift industry and the recession have combined to lengthen the problem-loan lists at many major banks in the United States.

J.P. Morgan & Co., the country's fifth biggest bank holding company, which prides itself on its credit screening, reported that "non-performing loans" more than tripled in 1981 to \$376.9 million, compared with \$110 million a year earlier. Irving Bank Corp.'s non-performing loans for 1981 rose to \$189 million from \$95 million in 1980.

Manufacturers Hanover's non-performing loans for the year rose 51 percent to \$631 million from \$417 million a year earlier. At Citicorp, the country's second largest bank holding company, the non-performing category grew 30 percent to \$1.04 billion, compared with \$799 million in 1980.

Morgan attributed the increase to loans to Poland, thrift institutions and industrial borrowers. Loans are deemed "non-perform-

## EEC Grants \$470 Million To Cockerill

From Agency Dispatches

BRUSSELS — The European Economic Community Commission has approved a \$470-million aid package for the loss-making Belgian steel giant Cockerill-Sambre, a commission spokesman said Thursday.

But the commission stuck to its earlier decision to reject the company's overall modernization plan, he said. That decision was prompted, in part, by its fourth week, and a series of violent protests by steelworkers determined to avoid new job losses.

The Belgian government originally requested approval from the commission to pump some \$630 million into the company in order to accomplish a five-year restructuring plan decided last year.

The commission has said the plan, designed to make the company viable by 1985, will lead to continued heavy losses in that year and needs modifications likely to involve further job losses and a reduction in crude steel capacity.

The spokesman said the sum approved was for investments that the commission believes will improve viability and does not involve contested elements of the plan.

Meanwhile, Herbert Gienow, managing board chairman of Cockerill-Werke, West Germany's third largest steel group, said Thursday he expects an offer of cooperation from Cockerill-Sambre.

He told a press conference in Duisburg that the Belgian company is interested in more rational use of existing capacity in the Liege-Charleroi region.

Mr. Gienow said no formal proposal had yet been made, but such cooperation could mean switching steel production to Cockerill's Bremen works in exchange for increased Cockerill participation in Belgium.

He also said that Cockerill would seek government steel aid by the end of June, and will submit a rationalization and modernization program similar to those already proposed by other West German steel firms and involving sharp cuts in crude steel output.

The present situation, in which only some West German firms receive state aid is intolerable, Mr. Gienow said. Krupp Stahl and Eitel-Hoesch Werke became the two most prominent applicants for the program when they announced the merging of their steel production earlier this year.

Klockner has had only minimal state support to date, in regional and technology aid, Mr. Gienow said. He said the unequal application of state aid further exacerbates the distortions to competition in steel stemming from massive national subsidies in other EEC countries.



Michel Jobert, left, foreign trade minister of France, offers his views on Japan-EEC trade to Japanese Premier Zenko Suzuki.

## Jobert Says Japanese Risk Increased Trade Barriers

From Agency Dispatches

TOKYO — French Foreign Trade Minister Michel Jobert said Thursday that Japan should move quickly to a free trade system or risk finding markets closed to its exports.

Mr. Jobert said a recent prediction by EEC Commission President Gaston Thorn that Western Europe would limit Japanese imports if the trade imbalance worsens is "a good bet."

Mr. Jobert is here on a five-day

visit to pave the way for French President Francois Mitterrand's April 14-18 visit, the first by a French leader. The trade minister said Mr. Mitterrand's visit comes at a time when a do-nothing attitude will only worsen Japan-EEC trade relations, but he declined to say if Mr. Mitterrand will offer an initiative to achieve a balance of trade.

"Certainly as the world economic situation worsens, countries [in the West] are being moved in a direction which leads them to hide behind protectionist barriers. But the countries which really desire free trade are also the countries which happen to be the strongest," Mr. Jobert said.

Acknowledging that France has had a protectionist tendency in the past, Mr. Jobert said that since the 1960s it has been developing its business system.

Japanese officials have asked Mr. Jobert to reduce French quotas and tariffs on 27 categories of Japanese exports, including a quota that limits imports of Japanese cars to 3 percent of the French market.

France, in turn, has asked for increased imports of French medical equipment, metals, and automobiles.

French statistics show its trade deficit with Japan widened to \$1.7 billion dollars in 1981, up from the previous year's \$1.4 billion. Japanese officials said that if "invisible" trade with France, including tourism, is taken into account then Japan has a small deficit with France.

In New York, the French and

## W. Germans, Dutch, Swiss Join in Trimming Key Rates

From Agency Dispatches

FRANKFURT — West Germany, Switzerland and the Netherlands, acting in concert, cut key interest rates Thursday, but dealers said the action did not have any immediate impact on exchange rates.

The Deutsche Bundesbank cut its special Lombard rate to 9 1/2 percent from 10 percent, to take effect Friday.

In Zurich, the Swiss National Bank cut its discount rate to 5 1/2 percent from six percent. And in Amsterdam, the Dutch central bank cut its bank rate to 8 percent from 8 1/2 percent. Both actions were also effective Friday.

A Dutch central bank spokesman said the bank had consulted with the Bundesbank and Swiss National Bank about the cuts. He quoted the president of the Dutch central bank as saying there was always consultation on such matters.

Money dealers had said earlier they believed the Dutch and West German central banks were eager to help the weakening French and Belgian francs and avoid a further and possibly damaging realignment of the European Monetary System.

Continuing Pressure

Belgian Finance Minister Willy de Clercq said later there was no possibility of a further devaluation of the Belgian franc following the 8.5 percent devaluation Feb. 22.

Dealers said they doubted whether either the Belgian or French franc would be devalued soon but said they thought pressure would continue as commercial selling intensified with the approach of the weekend.

While both the French and Belgian francs remained under pressure, the U.S. dollar was little affected by the cut in the three rates.

Dealers said the dollar remained well underpinned, although it tended to ease a little around midday as Eurodollar deposit rates slipped back to 15 1/16 percent from 15 1/8 percent earlier.

In London, the dollar closed at 2.3780 Deutsche marks, up slightly from Wednesday's 2.3733, and at 1.8877 Swiss francs, up from 1.8830 the day before.

The French franc closed sharply lower in London at 6.220 to the dollar, compared with Wednesday's close of 6.1375. The Belgian franc closed at 44.63 to the dollar after 44.44 Wednesday.

In New York, the French and

## Delors Rejects Franc Devaluation As Dollar, Mark Hit Highs in Paris

From Agency Dispatches

PARIS — French Economy Minister Jacques Delors said Thursday that he rejects the possibility of a devaluation of the French franc, noting that improved February trade figures indicate an improving economic situation.

Speaking on French television, Mr. Delors said France had a trade deficit of 5.3 billion francs (\$857 million) in February, compared with a deficit of 7.05 billion francs in January.

The dollar was fixed at 6.1850 francs, its highest rate in recent history, on the Paris Bourse Thursday. The dollar was fixed at 6.1330 francs Wednesday. The Deutsche mark also rose to a new high of 2.6059 francs Thursday, up from 2.5825 francs at Wednesday's fixing.

Dealers said the Bank of France intervened massively at the fixing, selling about 300 million DM. The bank also raised the rate on call money in 17 percent from 15 percent and the seven-day discount rate to 18 percent from 15 1/2 percent, as part of its bid to defend the franc, dealers said.

Belgian units continued to lose ground. The French franc fell to 6.2050 per dollar and the Belgian franc fell to 44.74 per dollar.

High U.S. interest rates as European rates drop is one of the main reasons for the dollar's continuing strength. But French President Francois Mitterrand said he believes U.S. policy will lead to a decline in interest rates before June.

Mr. Mitterrand gave the assessment to West German Chancellor Helmut Schmidt when he briefed him Wednesday by telephone on his visit in Washington last week.

A spokesman for the Bundesbank said Thursday the rate cut represents a continuation of the Bundesbank's plans for a gradual relaxation of monetary policy.

The uncertain conditions in the United States evidently generated some uncertainty among the 17 members of the Bundesbank board. But the decision was said to have been lightened by an easing of West Germany's inflation rate in February, which dropped to 5.8 percent from 6.3 percent the month before.

Money market dealers noted that interbank rates had already come down, a result in part of the Bundesbank's various liquidity measures, including the offer to rediscount commercial bills for 10 days at 9 1/2 percent.

That offer, made a week ago, set in motion speculation that the special Lombard rate would be cut.

The Swiss national bank said the cut reflects developments in the Swiss money market. The last change in the discount rate was Sept. 2, when it was raised to 6 percent from 5 percent.

Swiss money market rates have fallen to between 6 and 6 1/2 percent for interbank deposits with maturities between one and 12 months from peaks of slightly over 10 percent in December and rates of more than 8 percent for all except one-month deposits as late as one month ago.

The Dutch bank rate was last changed Jan. 21 when it was lowered to 8 1/2 percent from 9 percent.



The man with exceptional goals needs an exceptional bank.

## What makes TDB exceptional? Our expertise in gold, for example.

Our experience in gold is based on a tradition dating back more than a century.

Today, from Geneva to Hong Kong, our banks are among the leaders in this specialized field. For example, our US subsidiary, Republic National Bank of New York, buys and sells more gold than any other US bank.

If you're investing in gold these days, our kind of expertise is definitely worth having on your side. It's available to you through our gold specialists.

At TDB we make it a rule to concentrate on the things we do best. That includes not only precious metals, but

trade and export financing, foreign exchange, banknotes, deposit accounts and money market transactions.

Geographically, too, we work mainly in areas where we have something special to offer. This includes the major financial centers, as well as a number of less familiar places, where our exceptional knowledge of local conditions can be a big help in your business.

Serving our clients well has helped us grow uncommonly fast. Today, we're big enough to provide most of the sophisticated facilities of the international banking giants—but lean enough not to keep you waiting for decisions.

So the next time you visit any of the

cities listed below, drop in to see us. Our multilingual account officers will be glad to welcome you and talk over your individual banking needs.

TDB Holding Group: US\$ 12.1 billion in assets; US\$ 920 million in capital and loan funds employed, as of December 31, 1981.

Group banks: Geneva, London, Paris, Luxembourg, New York (Republic National Bank of New York), Athens, Buenos Aires, Chisao, George Town, Hong Kong, Los Angeles, Miami, Monte Carlo, Montevideo, Nassau, Panama City, Punta del Este, Santiago de Chile, Singapore, Representative offices: Beirut, Caracas, Frankfurt, Mexico City, Rio de Janeiro, São Paulo, Tokyo.

## Trade Development Bank

Shown at left, head office of Republic National Bank of New York, U.S. subsidiary of the Trade Development Bank Holding Group. Republic banks and sells more gold than any other U.S. bank.



## CURRENCY RATES

Interbank exchange rates for March 18, 1982, excluding bank service charges.

	\$	£	D.M.	F.F.	Y.	S.F.	S.P.	D.M.	S.F.	S.P.
Amsterdam	2.61	4.77	10.92	49.10	0.2913	0.2913	0.2913	0.2913	0.2913	0.2913
Brussels (a)	46.516	86.64	16.744	7.725	3.407	3.407	3.407	3.407	3.407	3.407
Frankfurt	2.24	4.29	10.92	49.10	0.2913	0.2913	0.2913	0.2913	0.2913	0.2913
London (b)	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118
Paris	1.2925	2.4535	5.615	24.48	0.1074	0.1074	0.1074	0.1074	0.1074	0.1074
New York	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118
Porto	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118	1.118
Zurich	1.882	3.411	7.405	31.68	0.1446	0.1446	0.1446	0.1446	0.1446	0.1446
1 ECU	1.0141	0.5091	2.406	10.97	0.2913	0.2913	0.2913	0.2913	0.2913	0.2913
1 SDR	1.0141	0.5091	2.406	10.97	0.2913	0.2913	0.2913	0.2913	0.2913	0.2913

(a) Commercial franc. (b) Amount needed to buy one pound. (c) Units of 100. (d) Units of 1,000.

## BEAT INFLATION GUARANTEED

We offer term deposit accounts which produce maximum interest while at the same time giving flexibility of choice and absolute security for your money. Keep what you have earned and beat inflation with the following interest rates. GUARANTEED.

### NET RETURN

- Minimum deposit equivalent \$500.
- Withdrawals in any amount can be effected on maturity of the agreed notice.
- Interest paid on credited terms.
- Amounts quoted are based on 1 year fixed term deposits.
- All interest paid is net and without deductions (taxes, etc.) at source.
- All transactions confidential.
- Deposits are unconditionally guaranteed. Write to Manager for further information.

	DOLLAR (Can.)	17 %
	PESETA (Spain)	16 %
	DOLLAR (U.S.)	16.50 %
	STERLING (£)	15.75 %
	FRANC (French)	18.25 %
	MARK (Deutsch)	12.75 %
	FRANC (Swiss)	9.75 %

NO TAX  
Swiss Building Society  
Lightfoot Development  
Europe Point  
P.O. Box 340 - Gibraltar  
Tel: 72546. Telex: 2297 STRAMS GIB



## NYSE Nationwide Trading Closing Prices Mar. 18

Tables include the nationwide prices up to the closing on Wall Street.

Market Summary									
March 18, 1982									
Dow Jones Averages									
30-Stock	2,812.12	100	100	100	100	100	100	100	100
Industrial	1,145.12	100	100	100	100	100	100	100	100
Transportation	1,145.12	100	100	100	100	100	100	100	100
Utilities	1,145.12	100	100	100	100	100	100	100	100
Chemicals	1,145.12	100	100	100	100	100	100	100	100
Electronics	1,145.12	100	100	100	100	100	100	100	100
Food	1,145.12	100	100	100	100	100	100	100	100
Textiles	1,145.12	100	100	100	100	100	100	100	100
Metals	1,145.12	100	100	100	100	100	100	100	100
Oil	1,145.12	100	100	100	100	100	100	100	100
Real Estate	1,145.12	100	100	100	100	100	100	100	100
Market Indices									
NYSE	2,812.12	100	100	100	100	100	100	100	100
AMEX	1,145.12	100	100	100	100	100	100	100	100
NYSE Most Active									
IBM	165.12	100	100	100	100	100	100	100	100
AT&T	115.12	100	100	100	100	100	100	100	100
GE	115.12	100	100	100	100	100	100	100	100
IBM	165.12	100	100	100	100	100	100	100	100
AT&T	115.12	100	100	100	100	100	100	100	100
GE	115.12	100	100	100	100	100	100	100	100
NYSE Index									
NYSE	2,812.12	100	100	100	100	100	100	100	100
Standard & Poor's Index									
Standard & Poor's	1,145.12	100	100	100	100	100	100	100	100
AMEX Most Active									
IBM	165.12	100	100	100	100	100	100	100	100
AT&T	115.12	100	100	100	100	100	100	100	100
GE	115.12	100	100	100	100	100	100	100	100
AMEX Stock Index									
AMEX	1,145.12	100	100	100	100	100	100	100	100
Odd-Lot Trading in N.Y.									
IBM	165.12	100	100	100	100	100	100	100	100
AT&T	115.12	100	100	100	100	100	100	100	100
GE	115.12	100	100	100	100	100	100	100	100
Dow Jones Bond Averages									
30-Bond	1,145.12	100	100	100	100	100	100	100	100
Industrial	1,145.12	100	100	100	100	100	100	100	100
Transportation	1,145.12	100	100	100	100	100	100	100	100
Utilities	1,145.12	100	100	100	100	100	100	100	100
Chemicals	1,145.12	100	100	100	100	100	100	100	100
Electronics	1,145.12	100	100	100	100	100	100	100	100
Food	1,145.12	100	100	100	100	100	100	100	100
Textiles	1,145.12	100	100	100	100	100	100	100	100
Metals	1,145.12	100	100	100	100	100	100	100	100
Oil	1,145.12	100	100	100	100	100	100	100	100
Real Estate	1,145.12	100	100	100	100	100	100	100	100

This Advertisement appears as a matter of record only.  
These Notes have been sold outside Canada and the United States of America.

New Issue

18th March, 1982



## TransCanada PipeLines Limited

(Incorporated under the laws of Canada)

U.S.\$100,000,000

16 per cent. Notes due 15th March 1992

Issue Price 100 per cent.

Union Bank of Switzerland (Securities) Limited  
CIBC Limited  
Hambros Bank Limited  
Nesbitt, Thomson Limited  
Société Générale de Banque S.A.  
S. G. Warburg & Co. Ltd.

Salomon Brothers International  
Deutsche Bank Aktiengesellschaft  
Merrill Lynch International & Co.  
Orion Royal Bank Limited  
Swiss Bank Corporation International Limited  
Wood Gundy Limited

Algemeine Bank Nederland N.V. Amro International Limited Banca Commerciale Italiana Banca del Gottardo  
Bank of America International Limited Bank Julius Baer International Limited Bank of Helsinki Limited  
Bank Leu International Ltd. Banque Bruxelles Lambert S.A. Banque Générale du Luxembourg S.A.  
Banque Internationale à Luxembourg S.A. Banque Nationale de Paris Barclays Bank Group  
Baring Brothers & Co. Limited Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft  
Bayerische Landesbank Girozentrale Bayerische Vereinsbank Aktiengesellschaft Bear, Stearns & Co. Bergen Bank  
Berliner Handels- und Frankfurter Bank Blyth Eastman Paine Webber International Limited Burns Fry Limited  
Chase Manhattan Limited Chemical Bank International Group Christiania Bank og Kreditkasse  
Citicorp International Group Compagnie de Banque et d'Investissements, CBI Continental Illinois Limited  
Copenhagen Handelsbank County Bank Limited Creditanstalt-Bankverein Crédit Commercial de France  
Crédit Industriel et Commercial Crédit Lyonnais Credit Suisse First Boston Limited Daiwa Europe Limited  
Dean Witter Reynolds Overseas Ltd. Den norske Creditbank DG Bank Deutsche Genossenschaftsbank  
Deutsche Girozentrale-Deutsche Kommunalbank Dominiac Securities Ames Limited  
Dresdner Bank Aktiengesellschaft Euromobiliare European Banking Company Limited  
Gefins International Limited Genossenschaftliche Zentralbank AG-Vienna  
Girozentrale und Bank der Österreichischen Sparkassen Aktiengesellschaft Goldman Sachs International Corp.  
Handelsbank N.W. (Overseas) Limited Hill Samuel & Co. Limited Kansallis-Osake-Pankki  
Kleinwort, Benson Limited Kuwait International Investment Co. a.s.k. Kuwait Investment Company (S.A.K.)  
Lazard Freres & Co. Lehman Brothers Kuhn Loeb International, Inc. LTCB International Limited  
McLeod Young Weir International Limited Manufacturers Hanover Limited Merck, Finck & Co.  
B. Metzger, Sehn & Co. Midland Doberty Limited Samuel Montagu & Co. Limited  
Morgan Grenfell & Co. Limited Margat Guaranty Ltd. Morgan Stanley International  
Nederlandsche Middenstandsbank N.V. Nomura International Limited Norddeutsche Landesbank Girozentrale  
Nordic Bank Limited Österreichische Länderbank Sal. Oppenheim Jr. & Cie. Pearson, Helling & Pierson N.V.  
Privatbanken A/S Rabobank Nederland N. M. Rothschild & Sons Limited Schoeller & Co. Bankaktiengesellschaft  
Schroder, Münchmeyer, Hengst & Co. J. Henry Schroder Wagg & Co. Limited Skandiaaika Enskilda Banken  
Smith Barney, Harris Upham & Co. Incorporated Société Générale Svenska Handelsbanken  
Traditaa International S.A. UBS Securities Inc. Union Bank of Finland Ltd.  
Verband Schweizerischer Kantonalbanken Vereins- und Westbank Aktiengesellschaft J. Vontobel & Co.  
Westdeutsche Landesbank Girozentrale Yamaichi International (Europe) Limited

John, in LIT

(Continued on Page 9)



هكذا من الأصل

## U.S. COMMODITY PRICES

Chicago Futures

Mar. 18, 1962

WHEAT

Low bid, cents per bushel

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

Mar. 18, 1962

[illegible]

DATE	PRICE	PER	YTD	PER	YTD	DATE	PRICE	PER	YTD	PER	YTD
Jun	18.45	18.45	18.59	+34	Jun	73.45	74.10	74.00	+73		
Jul	18.45	18.45	18.59	+34	Jul	74.10	74.10	74.10	+73		
Aug	18.45	18.45	18.59	+34	Aug	74.10	74.10	74.10	+73		
Sep	18.45	18.45	18.59	+34	Sep	74.10	74.10	74.10	+73		
Oct	18.45	18.45	18.59	+34	Oct	74.10	74.10	74.10	+73		
Nov	18.45	18.45	18.59	+34	Nov	74.10	74.10	74.10	+73		
Dec	18.45	18.45	18.59	+34	Dec	74.10	74.10	74.10	+73		

[illegible]

Commodity and unit	This Year	Last Year
FOODS		
Coffee 4 Santos, lb.	1.42	1.22

	Printcloth 64-38 30% Yd	METALS	Form Sep	247.00	246.00	247.75	246.00	248.00
			Oct	253.00	253.00	248.00	253.00	249.00
							251.00	251.00

Available now

<b>Available now</b> <b>Paris delivery tax free</b> <b>F.F. 666.000 &amp; 570.000</b>		
<div>  </div>		
<div> <b>FRANCO BRITANNIC</b>  25, rue P-V Couturier, 92300 Levallois  757.50.80 </div>		
<div> <b>REQUEST FOR PURCHASE PROPOSALS</b>  <b>Wisconsin Steel Works, Chicago, Illinois</b> </div>		

Centrom Corp.	10	4-18	4-1
Craigmont Mines	20	4-19	4-2
First Boston	25	4-15	4-2

	Price	May	Aug	Nov
Chicago West Babylon & Southern Railroad Co	17	4-16	4-1	4-1

[illegible]

Publ Svc New Hamp	53	5-18	4-30
Quaker Chemical	18	4-30	4-14
St. Joseph Lf & Pwr	33 1/2	5-18	5-3
St. Joseph Lf & Pwr	65	4-29	4-3

Olevena & Co	Q	20	4-30	4-2	370	3.75-5.25	9.00-12.00	17.00-20.00
Vocum Int'l Inc	Q	06%	5-1	4-9				

Consisting of but not limited to the following

398	1/200	7.00	11.50-14.50
610	1/200	7.00	8.50-10.50

Gold 320.00-320.50

as Parcels, Combinations or Entirety

— 240 Acres of Land, Buildings & Structures

**Thursday's**

— Wilpote Coke Battery (3 meter, 43 oven)

**NEW HIGHS—7**  
 Coalfield  
 Glen Bell  
 Oultra Co.  
 Kentucky Ut  
 Gulsulfurmax  
 Mottel 2,500

**FUTURES DOW JONES**  
 Through New York Industrial Index Fund  
 Prices in U.S.S.  
 114 1/2 (After commission & Brokerage)

—Three Blast Furnaces  
 —Basic Oxygen Furnace (two vessels)  
 —Bloomng Mill (40" & 32")  
 —Three Hot Rolled Finishing Mills  
 —Two Billet Conditioning Facilities

American Co Amsteel	1 Cinda pt	OverShip s	Maturity	March 18 14 (10 hrs 1)	last week low/high
------------------------	------------	------------	----------	---------------------------	-----------------------

Ampro Corp. Int'l Auto Corp. Int'l	KORSAI, David ITW	Pam ECo P. 23-24	March 25	793/801	793/810	— Water Treatment Plant
---------------------------------------	----------------------	---------------------	----------	---------	---------	-------------------------

[illegible]

HospitCo IC Inds	DmarInd Onida	Winger WyleLabs	primarily north of 112th Street and east of Torrence Avenue in Chicago, Illinois, and in the purchase of all of the capital stock of the Chicago, West
---------------------	------------------	--------------------	--

		Pullman & Southern Railroad Company servicing the plant.
--	--	--

**Economic Figures**  
**In Mexico Resign**  
*The Associated Press*

**BANQUE DE**  
**L'UNION EUROPEENNE**

**TERMS AND CONDITIONS**  
 Proposals need not constitute legally binding offers to purchase but should meet the following requirements:  
 Purchaser should be prepared to pay the proposed purchase price wholly in cash or partly in cash and partly in bankable obligations. Proposals should be for an even number of shares and for a quantity of shares which is a multiple of the number of shares in the French share capital of the bank.

**MEXICO CITY** — The director of the central bank has resigned in

the second major change in the

**Floating Rate Notes**  
**1979-1989**

Proposals should indicate the purchaser's plans for the property and in particular should indicate the activities to be conducted on any premises to be purchased and the amount and nature of employment to be offered.

Only proposals for purchase should be submitted. Proposals for disposition or development on an agency or profit-sharing basis will

the Bank of Mexico for five years, was announced Wednesday, 24

hours after the government said terms and conditions of For inspection of the property being offered, to obtain additional information.

David Ibarra Muñoz, treasury secretary for four years, was replaced by his undersecretary, Raul Silva Herzog.

Mr. Kolbeck and Mr. Muñoz

were considered key figures in the country's economic policy, and for the interest period

had been criticized since the de- running from March M. GOLDSMITH INTERNATIONAL CO., INC.

valuation of the peso Feb. 17. After the Mexican Federal Reserve stopped selling dollars and allowed the peso to find its own level, the currency dropped from about 26.50 to 45.00 to the dollar.	20th, 1982, to June 20th, 1982.	665 Lincoln Road, Miami Beach, Florida 33139 (305) 532-6185 SPECIALISTS IN COLLATERAL CONTROL AND REALIZATION
--	---------------------------------	---

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----

\_\_\_\_\_

**SILVER SPUR  
SILVER SPIRIT**

Available now  
Paris delivery tax free  
F.F. 666.000 & 570.000

ROLLS  
  
ROYCE

**FRANCO BRITANNIC**

25. rue P.-V. Couturier. 92300 Levallois  
757.50.80

REQUEST FOR PURCHASE PROPOSALS

**Wisconsin Steel Works, Chicago, Illinois**  
Torrence Avenue and 106th Street  
and the capital stock of  
**Chicago, West Pullman & Southern Railroad Co.**  
(Serving the Plant and seven Shippers)  
Consisting of but not limited to the following  
as Parcels, Combinations or Entirety

- 240 Acres of Land, Buildings & Structures  
(includes two slips on the Calumet River)
- Wilpette Coke Battery (5 meter, 45 oven)
  - Three Blast Furnaces
- Basic Oxygen Furnace (two vessels)
  - Blooming Mill (40" & 32")
- Three Hot Rolled Finishing Mills
- Two Billet Conditioning Facilities
- Narrow Gauge Billet Railroad
  - Water Treatment Plant

**— Pollution Control Equipment —**

**SOLICITATION**

THE ECONOMIC DEVELOPMENT ADMINISTRATION ("EDA"), United States Department of Commerce, solicits indications of interest in the purchase of all or part of the Wisconsin Steel plant and acreage located primarily north of 112th Street and east of Torrence Avenue in Chicago, Illinois, and in the purchase of all of the capital stock of the Chicago, West Pullman & Southern Railroad Company servicing the plant.

**TERMS AND CONDITIONS**

Proposals must not constitute legally binding offers to purchase but should meet the following requirements:

Purchaser should be prepared to pay the proposed purchase price wholly in cash or partly in cash and partly in bankable obligations.

Proposals should be for the entire premises or for clearly identifiable major portions of the plant or major groupings of equipment. Proposals for separate purchases of specific units of equipment, scrap or other plant property, apart from the real estate, are not requested at this time.

Proposals should indicate the purchaser's plans for the property and in particular should indicate the activities to be conducted on any premises to be purchased and the amount and nature of employment to be offered.

Only proposals for purchase should be submitted. Proposals for disposition or development on an agency or profit-sharing basis will not be considered at this time.

**INSPECTION**

For inspection of the property being offered, to obtain additional information, maps and instructions for submitting proposals contact either of the following:

**Mr. Thomas Diachensko (305) 532-6185 Collateral Control**  
**Mr. George Harpser (312) 933-7503 Plant Manager**

The information heretofore obtained from reliable sources and is for advertising purposes only. Accuracy cannot be guaranteed.

**M. GOLDSMITH INTERNATIONAL CO., INC.**  
665 Lincoln Road, Miami Beach, Florida 33139  
(305) 532-6185  
**SPECIALISTS IN COLLATERAL CONTROL AND REALIZATION**

## Thursday's New Highs and Lows

Cash Gold Can Rail Coke Co	NEW HIGHS—7  Dow Jones Guarantee Index	Kentucky Oil Metrol Corp
NEW LOWS—49		

American Amstar American Auto Corp n Babcock California Case Coca-Cola Eaton Corp Eastman Fluoride General Gen Growth Hercules Hormel Inland Int'l Harv Kaiser Laclede Lincoln Lockport Lyons Mallinckrodt Marathon McDonald Meritor Minerals Missouri NORANDA Olin PacifiCorp Packaging Pamco Pharmacia Phillips Rohm & Haas Rockwell Shaw-Walker Sherwin-Williams Simon & Schuster Southwest Steel Indus Tenneco Texas Instr Union Carbide Viacom Weyerhaeuser Winnebago World Wide Zurich	Ichnia of Iridium Jaguar J&J Kodak Lear Litho Int'l Lucas Mannesmann Medco Mitsubishi National Noranda Novartis Olin Orion PacifiCorp Packaging Pamco Pharmacia Phillips Rohm & Haas Rockwell Shaw-Walker Sherwin-Williams Simon & Schuster Southwest Steel Indus Tenneco Texas Instr Union Carbide Viacom Weyerhaeuser Winnebago World Wide Zurich	Dover Ship Eastman Ford Gen Growth Hercules Hormel Inland Int'l Harv Kaiser Laclede Lincoln Lockport Lyons Mallinckrodt Marathon McDonald Meritor Minerals Missouri NORANDA Olin PacifiCorp Packaging Pamco Pharmacia Phillips Rohm & Haas Rockwell Shaw-Walker Sherwin-Williams Simon & Schuster Southwest Steel Indus Tenneco Texas Instr Union Carbide Viacom Weyerhaeuser Winnebago World Wide Zurich
---	--	---

### FUTURES DOW JONES

Through New York Industrial Index Futures Prices in U.S.\$.

Maturity	5d/futures quotes March 18 14.00 hrs. Lt.	Business days last week low/high
March 25	793/801	793/810
April 2	793/803	793/810
May 7	793/805	793/811

**FIERSON, HOLDING & PIERSON N.Y.**  
Herengracht 234, AMSTERDAM.  
Tel.: 21186 Telex 12116

## Economic Figures In Mexico Resign

*The Associated Press*

**MEXICO CITY** — The director of the central bank has resigned in the second major change in the government's economic team in as many days and a month after Mexico devalued.

The resignation of Gustavo Romero Kolbeck, 58, who headed the Bank of Mexico for five years, was announced Wednesday, 24 hours after the government said David Ibarra Muñoz, treasury secretary for four years, was replaced by his undersecretary, Raúl Silva Herzog.

Mr. Kolbeck and Mr. Muñoz were considered key figures in the country's economic policy, and had been criticized since the devaluation on Feb. 17. After the Mexican Federal Reserve stopped selling dollars and allowed the peso to find its own level, the currency dropped from about 26.50 to 45.00 to the dollar.

## BANQUE DE L'UNION EUROPÉENNE

**U.S. \$50,000,000  
Floating Rate Notes  
1979-1989**

In accordance with the terms and conditions of the Notes, the rate of interest has been fixed at 15 $\frac{1}{4}$ % per annum for the interest period running from March 20th, 1982, to June 20th, 1982.



Tables include the nationwide prices up to the closing on Wall Street

**ASK FOR IT EVERY DAY.  
EVERYWHERE YOU GO.**  
International Herald Tribune  
We've got news for you.

**8 $\frac{3}{4}$ % Convertible Subordinated Debentures Due  
September 1, 2000**

The Merger is expected to become effective on March 31, 1982, and it is expected that holders of record of INA Common Shares will be entitled to exchange such shares for securities of CIGNA deliverable upon the Merger on March 31, 1982.

**INA CORPORATION**  
March 19, 1982

**6% Convertible Subordinated Debentures Due 1997**

The Merger is expected to become effective on March 31, 1982, and it is expected that holders of INA Common Shares will be entitled to exchange such shares for securities of CIGNA deliverable upon the Merger on March 31, 1982.

**INA CORPORATION**  
March 19, 1982

100















